#### Message

Burhop, Anna [anna\_burhop@americanchemistry.com] From:

5/24/2017 1:34:22 PM Sent:

To: Dravis, Samantha [dravis.samantha@epa.gov] CC: Bolen, Brittany [bolen.brittany@epa.gov]

Subject: ACC Comments on EPA Evaluation of Existing Regulations (May 15, 2017)

Attachments: ACC Comment on EPA Evaluation of Existing Regulations 5.15.17.pdf; ACC Formaldehyde Panel Letter to EPA on

Regulations and the Formaldehyde....pdf; ACC Biocides Regulatory Reform May 15.docx;

ACC Hexavalent Chromium Panel Comment.pdf; ACC-CPTD TCE response to EPA-HQ-OA-2017-0190.pdf; ACC-PCB Panel response to EPA-HQ-OA-2017-0190.pdf; EPA Reg Reform - DII Comments 051117.docx; Revisit EGBE TRI

Delisting Petition Final May 2017.pdf

#### Samantha,

As we discussed yesterday, attached are the comments that ACC submitted last Monday. In addition to the broader comments, our panels also submitted chemical-specific comments:

- Formaldehyde
- **Biocides**
- Hexavalent Chromium
- **PCBs**
- TCE
- Diisocyanates
- Glycol Ethers

Thanks again for taking the time to come to the meeting yesterday. The group really appreciated it and enjoyed having the time to pick your brain a bit.

It was great to finally meet you! -Anna

Anna Burhop | American Chemistry Council Director, Environment **Regulatory and Technical Affairs** 700 2<sup>nd</sup> Street NE | Washington, DC | 20002 (202) 249-6440 anna burhop@americanchemistry.com

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May 15, 2017

U.S. Environmental Protection Agency 1200 Pennsylvania Avenue, N.W. Mail Code 7401-M EPA East Building Washington, DC 20460 Submitted via www.regulations.gov

Re: Docket ID # EPA-HQ-OA-2017-0190; Stakeholder Input on Regulations Appropriate for Repeal, Replacement or Modification; the Formaldehyde Emission Standards for Composite Wood Products

Dear Sir or Madam:

The American Chemistry Council's<sup>1</sup> Formaldehyde Panel (Panel) appreciates this opportunity to provide comments to the EPA's Office of Pollution Prevention and Toxics (OPPT) regarding regulatory reform opportunities involving regulations governing chemical safety activities under the Toxic Substances Control Act (TSCA) and identification of those regulations that might be appropriate for repeal, replacement or modification per Executive Order 13777 on Enforcing the Regulatory Agenda. In follow-up to the oral comments presented by the Panel during the May 1, 2017 public meeting, the Panel has identified aspects of the Formaldehyde Emission Standards for Composite Wood Products<sup>2</sup> that should be modified to alleviate unnecessary regulatory burdens.

The Panel has long supported the establishment of national emission standards which are performance-based and set emissions levels that are equivalent to the levels established under the California Air Resources Board (CARB) Airborne Toxic Control Measure (ATCM). Although EPA states the final rule is "consistent, to the extent EPA deemed appropriate and practical considering TSCA Title VI, with the requirements currently in effect in California under the California Air Resources Board's (CARB) Air Toxics Control Measure to Reduce Formaldehyde Emissions from Composite Wood Products (ATCM) (Ref. 1)," it instead goes well beyond Congressional intent and is inconsistent with the CARB standard. The rule as currently written represents a departure from the performance-based standard intended by Congress and as implemented under the CARB ATCM. Notably, the differences in the EPA's final rule and the CARB standard will create compliance confusion, stifle innovation and increase manufacturing

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<sup>&</sup>lt;sup>1</sup> The American Chemistry Council (ACC) represents the leading companies engaged in the business of chemistry. ACC members apply the science of chemistry to make innovative products and services that make people's lives better, healthier and safer. ACC is committed to improved environmental, health and safety performance through Responsible Care®, common sense advocacy designed to address major public policy issues, and health and environmental research and product testing.

<sup>&</sup>lt;sup>2</sup> 81 Fed. Reg. 89674 (Dec. 12, 2016).

<sup>&</sup>lt;sup>3</sup> Id. at 89675.

Docket ID # EPA-HQ-OA-2017-0190 May 15, 2017 Page 2

costs. The Panel submitted significant detailed comments in October 2013<sup>4</sup> and May 2014,<sup>5</sup> when the EPA's rule was in development, but the issues raised in our previous comments have not been adequately or sufficiently addressed. Below we highlight two specific issues in the final rule that should be modified to ensure that it does not unduly disadvantage technologies that clearly meet the emissions standards.

# 1. The EPA's Final Rule Should Adopt CARB's Approach For The Treatment of Laminated Products

While the emissions levels set in the EPA's final rule are equivalent to the CARB ATCM for formaldehyde emissions from composite wood products, the treatment of laminated products bonded to urea formaldehyde resins is a departure from the technology neutral CARB ATCM standard. EPA's current approach creates a situation where laminated products made by attaching a wood or woody grass veneer to a compliant core or platform with either a phenol-formaldehyde resin or a resin formulated with no added formaldehyde as part of the resin cross-linking structure are treated differently than other laminated products.

<u>Recommended Amendment to Final Rule</u> - Section III.A.3 of the final rule should be modified to explicitly exempt all laminated products from the definition of hardwood plywood. Any future EPA action associated with laminated products should be evaluated through a separate formal notice and comment period.

# 2. The EPA's Final Rule Should Not Endorse a Move Away From Urea-Formaldehyde-Based Resin Technologies

EPA's final rule encourages a move away from urea-formaldehyde-based resins, despite the fact that this chemistry has been proven to meet established CARB emissions standards. The approach in EPA's final rule to regulating laminated products would favor the use of no added formaldehyde resins over formaldehyde-based resins. The experience under CARB and the scientific underpinnings of testing and certification processes demonstrate that a performance-based approach that does not discriminate against technologies meeting the standards can ensure compliance with the statutorily mandated emissions limits while meeting diverse market needs and minimizing economic impact. There is no basis to support an approach to regulate laminated products that would promote the use of no added formaldehyde resins over formaldehyde-based resin technologies, including ultra-low emitting formaldehyde resins. Notably, manufacturers of composite wood products continue to rely on urea-formaldehyde-based resin technologies in products that comply with or perform better than the CARB Phase 2 emissions standards, which is a testimony to the effectiveness and capability of urea-formaldehyde-based resins.

By taking a performance-based approach tied to emissions limits, the CARB program encouraged advancement in all technologies and provided the widest array of options for panel

<sup>&</sup>lt;sup>4</sup> Docket ID # EPA-HQ-OPPT-2012-0018-0581.

<sup>&</sup>lt;sup>5</sup> Docket ID # EPA-HQ-OPPT-2012-0018-0610.

Docket ID # EPA-HQ-OA-2017-0190 May 15, 2017 Page 3

manufacturers and the downstream chain of commerce. CARB's performance-based regulation for laminated products is consistent with the ASTM test methodology for assessing performance under temperature and humidity conditions. Notably, the statute prescribes the use of temperature and humidity levels set by ASTM E-1333 test method and if a laminated product meets the emission test under those conditions, it would be in compliance, regardless of whether it contained ultra-low emitting formaldehyde or no-added formaldehyde resins. Manufacturers of laminated products should have the flexibility to comply with EPA's rule using any chemistry meeting set emission standards.

<u>Recommended Amendment to Final Rule</u> - This final rule should clearly include an exemption for laminated products made with compliant platforms.

<u>Recommended Amendment to Final Rule</u> - This final rule should refrain from prescribing resin chemistries or formulations that can qualify as ultra-low emitting formaldehyde technology.

As summarized above, to improve the final rule, EPA should exempt the inclusion of laminated products from the final rule and address this issue in a separate formal notice and comment period. EPA should also modify the rule to clarify that any technology that effectively meets the established emissions standards complies with the final rule and that EPA does not encourage a move away from those technologies which meet the standards. We appreciate the opportunity to provide input as the Agency identifies ways to improve its rulemaking process.

Feel free to contact me by phone (202-249-6707) or email (<u>kimberly\_white@americanchemistry.com</u>) with any questions related to these comments.

Sincerely,

Kimberly Wise White, PhD American Chemistry Council (ACC) Senior Director, Chemical Products & Technology Division On Behalf of the ACC Formaldehyde Panel From: POLITICO Pro Energy [politicoemail@politicopro.com]

**Sent**: 7/6/2018 9:44:33 AM

**To**: Bolen, Brittany [bolen.brittany@epa.gov]

**Subject**: Morning Energy: Pruitt finally strikes out — EPA blocks formaldehyde warnings, sources say — Pruitt probe

continues on

By Kelsey Tamborrino | 07/06/2018 05:42 AM EDT

With help from Emily Holden and Anthony Adragna

**PRUITT FINALLY STRIKES OUT:** Today marks Scott Pruitt's last day as EPA administrator after <u>his</u> resignation Thursday afternoon. Though he was only head of the EPA for 500 days, his tenure was marred by a seemingly endless stream of scandals into his ethics, finances and management. Pruitt's many issues have generated headlines for the past several months, and it was those "unrelenting attacks" on him and his family that he blamed in his resignation letter.

**President Donald Trump announced** Pruitt's exit in <u>a tweet</u> in which he commended the EPA chief for doing an "outstanding job" at EPA. Trump announced that Pruitt's deputy, Andrew Wheeler, will become acting administrator of the EPA until a permanent replacement can be found.

**SO, WHAT HAPPENED?** For weeks the White House has maintained it was concerned with the numerous allegations of wrongdoing by Pruitt, all the while affirming Trump still had faith in the administrator, particularly for his deregulatory zeal. But one Republican close to the White House <u>said Thursday</u> that Trump's support for Pruitt finally dropped when he realized Wheeler could easily carry out the same regulatory rollback — sans the scandals.

For Trump's part, he <u>told reporters</u> aboard Air Force One there was "no final straw," but said the decision had been in the works for "a couple of days." POLITICO's Anthony Adragna, Alex Guillén and Emily Holden <u>report</u> that among Trump's confidants, North Dakota billionaire oilman Harold Hamm was one of the few hold-outs left defending Pruitt.

**The Washington Post <u>reports</u>** Pruitt was also drawing scrutiny from the Office of Management and Budget. Officials told the Post OMB had determined that a \$43,000 soundproof phone booth installed for Pruitt was a violation of federal law, though the report has not yet been published.

But the news still dismayed prominent GOP donor Doug Deason, who told POLITICO late Thursday that he was "so disappointed in the President's failure to support Scott against the angry attacks from the loony left." Deason added: "Nothing he did amounted to anything big. He was THE most effective cabinet member by far."

**Inside the EPA, the general mood** Thursday was one of joy, according to both career staffers and political appointees. "A lot of people are relieved it's going to stop," one EPA employee said. There were "a lot of jokes about, 'Like, what do we do with the tactical pants now?' A lot of sharing funny tweets we've seen out there. There was one that was like, 'For sale: Barely used secure phone booth. Very motivated seller.""

WHAT'S IT MEAN? The change-up at the EPA won't mark a large difference in the Trump administration's approach to environmental policy, and many of the investigations into Pruitt will continue on. But Wheeler, a longtime Washington lobbyist and former Hill staffer, is expected to steer the ship more smoothly. "I have no doubt and complete confidence he will continue the important deregulatory work that Scott Pruitt started while being a good steward of the environment," said GOP Sen. Jim Inhofe, for whom Wheeler formerly worked.

"What changes is that Wheeler knows how to get things done at the agency and, in general, in Washington," a refining industry source told Pro's Eric Wolff over email.

In contrast to Pruitt, Eric and Alex <u>write</u>: "Wheeler is a smooth insider with a penchant for policy details and a reputation for working well with both friends and adversaries. But those who have dealt with him say he's on board with the broad deregulatory agenda that Pruitt and Trump have pursued."

Career EPA staffers were enthused but wary of Wheeler, who is known around the agency as friendly and competent, a skilled lawyer who knows how to bulletproof regulatory rollbacks, while avoiding the kind of controversy that has propelled Pruitt into the limelight. Wheeler is also expected to engage more with career staffers, rather than relying solely on a tight circle of political appointees, as Pruitt did. "Will this be a turn for the better or more of the same? ... I'd say we're not optimistic for much better," one person said. "You can't fix stupid by replacing Pruitt."

"[T]he proverbial fox hasn't left the henhouse," said Denise M. Morrison, acting head of AFGE Council 238, which represents about 9,000 EPA workers across the country. "Pruitt's blatant disregard for regulations mustn't be the standard for his former coal lobbyist successor at EPA, Deputy Administrator Andrew Wheeler."

The president said Wheeler was "very much an early Trump supporter," although some were quick to point out that Wheeler called Trump a "bully" in a Facebook post during the presidential primaries. In a statement to ME, Wheeler said he made those comments during his time on the Marco Rubio campaign. But Wheeler said that when he attended a Trump speech in June 2016, Trump gave "the most comprehensive energy speech by a presidential candidate" he'd ever heard. "I then joined the Trump campaign and worked on environmental policy for him," Wheeler added.

**WHAT COMES NEXT?** If Trump were to soon nominate a permanent replacement for Pruitt, the nominee will certainly face an uphill battle in the Senate, where a contentious agenda is already heating up in the lead-up until midterm elections. Senators on both sides of the aisle have condemned Pruitt's actions, and issues like the Renewable Fuel Standard would be front-and-center in any eventual hearing.

And, even with Pruitt gone, EPA will continue to be forced to release public records detailing how he has managed his agency. One longtime EPA employee said Pruitt's resignation was overdue and hoped that a criminal investigation would take place — and that he would be indicted. "Congress has seriously abdicated any pretense of oversight," the source said. "How many Benghazi hearings?"

**Read up!** POLITICO's profile on Wheeler <u>here</u> | The complete guide to Pruitt's scandals <u>here</u> | Pruitt's full resignation letter <u>here</u> | How Pruitt blew it <u>here</u> | Pruitt's EPA tenure, <u>in photos</u> | Wheeler's email to staff <u>here</u>

**For fun:** The Bird, a restaurant in Shaw, <u>has been offering up</u> drink specials whenever a member of the Trump administration is fired. So it should come as no surprise, the <u>restaurant offered</u> \$4 happy hour drinks last night, including its "Pruitt Blew It" cocktail special, which features herbs and blueberries. See it <u>here</u>.

FINALLY FRIDAY! I'm your host, Kelsey Tamborrino. Andeavor's Stephen Brown was first to correctly name the Marion Star, the newspaper for which Warren G. Harding was publisher before he was elected president. For today: Name the first sitting House speaker to lose reelection to his House seat. Send your tips, energy gossip and comments to <a href="mailto:ktamborrino@politico.com">ktamborrino@politico.com</a>, or follow us on Twitter <a href="mailto:@kelseytam">@kelseytam</a>, <a href="mailto:@Morning Energy">@Morning Energy</a> and <a href="mailto:@POLITICOPro">@POLITICOPro</a>.

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Join POLITICO at 8:15 a.m. on July 11 at Washington Court Hotel for a dynamic conversation on the role of government and its implications for AI growth in national public safety, privacy and civil rights. <a href="https://example.com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/reserved-com/re

MORE FROM THE SUPPRESSED STUDY BEAT: A draft health assessment of one of the most commonly used chemicals in the country is being suppressed by the Trump administration's EPA, current and former agency officials told POLITICO. The assessment details that most Americans inhale enough formaldehyde vapor in the course of their daily lives to put them at risk of developing leukemia and other ailments, Pro's Annie Snider reports. EPA scientists completed the formaldehyde assessment just before Trump took office, the officials tell Annie, arguing that top Pruitt advisers are delaying its release as part of a larger campaign to undermine the agency's independent research into the health risks of toxic chemicals. "They're stonewalling every step of the way," the current official said, accusing political appointees of interfering with the formaldehyde assessment and other reports on toxic chemicals produced by EPA's Integrated Risk Information System.

Pruitt told a Senate hearing earlier this year that he believed the draft assessment was complete — but five months later, it has yet to see the light of day. Meanwhile, internal documents <a href="mailto:show">show</a>, a trade group representing businesses that could face new regulations and lawsuits if the study were released had frequent access to top EPA officials and pressed them to either keep it under wraps or change its findings. "As stated in our meeting, a premature release of a draft assessment ... will cause irreparable harm to the companies represented by the Panel and to the many companies and jobs that depend on the broad use of the chemical," Kimberly Wise White, a representative of the American Chemistry Council's Formaldehyde Panel, wrote in a Jan. 26 <a href="letter">letter</a> to top officials at EPA. Pruitt appointed White to EPA's influential Science Advisory Board last fall.

And while Pruitt may be gone from the agency, his replacement also has a history with the chemical, Annie notes. He was staff director for the Senate Environment and Public Works Committee in 2004, when his boss, Inhofe, sought to delay an earlier iteration of the formaldehyde assessment. Read the story here.

IN THE MEANTIME: Aides on the House Oversight Committee say they'll continue their investigation into Pruitt, despite his exit, with Committee Democrats releasing <u>new transcripts</u> from interviews with some of Pruitt's aides on Thursday. Three aides acknowledged removing many meetings from Pruitt's calendars deemed "personal," including retroactively removing reference to a dinner with Cardinal George Pell after his arrest on alleged sexual abuse charges. "I did that because there were — and there have been since — just personal dinners or personal meetings which he has had that if it doesn't relate to EPA business, I don't think it's necessary to put it on the schedule," chief of staff Ryan Jackson told committee staff.

TRUMP HITS TESTER IN MONTANA: At a Montana rally for GOP Senate candidate Matt Rosendale, Trump took aim at Democratic Sen. <u>Jon Tester</u>, up for reelection in November in a state with particular interest in public lands and conservation policy. "It's time to retire liberal Democrat Jon Tester," Trump declared to the crowd. "A vote for Jon Tester is a vote for <u>Chuck Schumer</u>, <u>Nancy Pelosi</u> and the new leader of the Democrat Party <u>Maxine Waters</u>." POLITICO's Matt Nussbaum points out, however, Trump's attacks don't seem to have bothered Tester, who took out full-page newspaper ads in the state Thursday that read "Welcome to Montana & Thank You President Trump," and listing "Jon's 16 bills signed into law by President Trump" — an attempt to show the state's Trump-friendly voters that the senator can work with the president. Read <u>more</u>.

**BUNDLED UP:** It worked so well with the first so-called minibus, House Republicans are expected to bring another spending bundle to the floor this month, according to <u>a notice</u> posted Thursday by the Rules Committee. This time around the 2019 funding package will combine the Interior-Environment <u>H.R. 6147 (115)</u> and Financial Services <u>H.R. 6258 (115)</u> spending bills. Both bills "are flat-funded compared to current spending levels, though not all agencies and programs would see the same levels," Pro Budget and Appropriations' Sarah Ferris <u>reports</u>. The package is slated for floor action the week of July 16.

STUDY LOOKS AT TRUMP COAL PLAN CONSEQUENCES: The Trump administration's plan to prop up economically struggling coal and nuclear power plants would result in 353 to 815 premature deaths in 2019-20 due to the additional emissions of sulfur dioxide and nitrogen oxides, according to a new study from Resources for the Future, an independent, nonprofit research institution in Washington. The paper also

calculated that each year the policy is in effect would cause 1 death for the 2 to 4.5 coal-mine jobs that it supports. The administration's plan, which it says is being <u>pursued</u> in the interest of national security and is detailed in a <u>draft DOE paper</u>, would delay the retirement of plants that have announced they will close by the end of 2020. Such a policy would support 790 coal-mine jobs, the study found, "though it would be likely to reduce economy-wide employment." Read the report here.

**EERE GETS ACTING ASSISTANT SECRETARY:** While the president's permanent pick for DOE's energy efficiency and renewable energy office awaits confirmation, Pro's Darius Dixon <u>reports</u> Cathy Tripodi will take on the role of acting assistant secretary for EERE. Dan Simmons was nominated for the permanent role last month by the White House. "As the confirmation process moves forward, Daniel has moved to Environmental Management to serve as an adviser to their leadership team," Alex Fitzsimmons, who has been Simmons' chief of staff, wrote in an email.

**Tripodi joined DOE in January 2017** and has been the director of the department's Lab Operations Board, which coordinates research and mission objectives between the agency headquarters and its far-flung national laboratories.

EU EXTENDS RUSSIA SANCTIONS: The EU extended sanctions against Russia for another six months on Thursday over Moscow's actions in Ukraine, POLITICO Europe's Magdaline Duncan reports. The sanctions target, in part, Russia's energy sector by limiting access to EU markets for three energy companies. EU leaders have said that the sanctions will be lifted once all sides in Ukraine commit to the cease-fire agreed in the Minsk accords.

PUERTO RICO GOVERNOR TAKES IT TO COURT: Puerto Rico Gov. Ricardo Rosselló announced Thursday his government would go to court to challenge the authority of the island territory's federal oversight board to impose policies on the commonwealth, Pro Financial Services' Colin Wilhelm reports. The oversight board in question was established by Congress to address Puerto Rico's debt and has mandated cuts to pensions and government spending in its most recent recovery plan.

— **Separately, the Puerto Rico Electric Power Authority** <u>said</u> this week that 99.9 percent of power has been restored in the aftermath of Hurricane Maria — 10 months after the hurricane destroyed Puerto Rico's grid.

## **QUICK HITS**

- "Americans already living EPA rollbacks under Pruitt," The Associated Press.
- "Doubts grow Aramco IPO will ever happen," The Wall Street Journal.
- "PHMSA agrees to provide public notice of hearings," E&E News.
- "Iran to Trump: Oil will cost \$100 per barrel, and it is your fault," Reuters.

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https://subscriber.politicopro.com/newsletters/morning-energy/2018/07/pruitt-finally-strikes-out-272028

#### **Stories from POLITICO Pro**

## Pruitt resigns amid torrent of ethics woes Back

By Anthony Adragna, Alex Guillén and Emily Holden | 07/05/2018 03:49 PM EDT

Scott Pruitt resigned from his post as administrator of the EPA on Thursday, finally bowing to a torrent of spending, travel and secrecy scandals that ended his run as one of President Donald Trump's most aggressive anti-regulation enforcers.

Trump continued praising his embattled EPA leader even after the ax fell — and months after most of his White House aides, including chief of staff John Kelly, had soured on him because of the increasingly bizarre accusations concerning Pruitt's use of agency employees to obtain housing, lotion, used mattresses, dinner with a Vatican cardinal and a job for his wife.

But the news about Pruitt had also turned potentially more dangerous, including what congressional Democrats said Thursday was evidence that his top aides had altered his official EPA calendar to hide politically troublesome meetings. Meanwhile, the coming media maelstrom over Trump's soon-to-be-announced Supreme Court nomination should soon erase any momentary headlines over Pruitt's departure.

"Within the Agency Scott has done an outstanding job, and I will always be thankful to him for this. ... We have made tremendous progress and the future of the EPA is very bright!" Trump tweeted. He added that Andrew Wheeler, Pruitt's deputy, would become acting administrator.

Trump later told reporters that "no final straw" led to Pruitt's decision to step down.

"Look, Scott is a terrific guy," the president said. "And he came to me and he said, 'I have such great confidence in the administration. I don't want to be a distraction.' And I think Scott felt that he was a distraction."

Trump said the decision had been in the works for "a couple of days."

Pruitt's critics were mainly jubilant — though deeply suspicious of Wheeler, a former coal lobbyist who is widely expected to pursue the same agenda of undoing former President Barack Obama's climate change agenda.

"Thank God he's gone," Sen. Tom Carper, the top Democrat on the Senate Environment and Public Works Committee, said of Pruitt. "This is a day to celebrate."

Among Trump's confidants, North Dakota billionaire oilman Harold Hamm was one of a dwindling number of people defending Pruitt, people close to Hamm and the White House told POLITICO.

Thursday's move came just two days after POLITICO reported Pruitt installed the former treasurer of his super PAC to lead the office in charge of releasing his public records and after CNN reported Pruitt directly asked Trump to remove Attorney General Jeff Sessions and give the position to him. Those were only a couple of the latest damaging accusations about Pruitt just this week, following months of drip-drip-drip disclosures about a \$50-a-night Capitol Hill condo rental from a lobbyist's wife, first-class travel, dramatic increase in spending on security and uncompensated personal work that he received from EPA aides. (See POLITICO's running summary of Pruitt's controversies here.)

In his resignation letter, Pruitt praised Trump, but said the litany of bad headlines had forced him to leave the job.

"It is extremely difficult for me to cease serving you in this role first because I count it a blessing to be serving you in any capacity, but also, because of the transformative work that is occurring," Pruitt wrote. "However, the unrelenting attacks on me personally, my family, are unprecedented and have taken a sizable toll on all of us."

Even as more than a dozen investigations were initiated by EPA's inspector general, the House Oversight Committee, the White House, the GAO and the Oklahoma Bar Association, Trump continued to publicly back Pruitt, who was strongly supported by many conservatives. Since the spring, when his condo deal came to light, triggering a snowballing series of embarrassing stories about the EPA administrator, Pruitt managed to keep his head above water.

But some sources suggested Trump's support for Pruitt began to crumble after news emerged that Pruitt had pressed an aide to try to buy a used mattress from Trump's hotel, and that he had security staff chauffeur him around Washington to buy his favorite brand of skin lotion — raising concerns that more such stories would follow. The timing of the resignation announcement also appeared favorable, since the announcement of a new Supreme Court nominee Monday would likely overshadow the EPA news.

One Republican close to the White House said that Trump's support for Pruitt dropped with the realization that Wheeler could easily carry out the same regulatory rollback — but without the scandalous headlines. Some Republicans had been making that argument for months, however.

"It became increasingly apparent to the president, from conversations with the Hill and people inside the administration, that everyone loves Andrew Wheeler, and that Trump could get the same results without the drama," the Republican said. "If they did not have an heir apparent, this would probably be a different situation."

Environmentalists were quick to take a victory lap over Pruitt's resignation.

"Scott Pruitt's corruption and coziness with industry lobbyists finally caught up with him," Erich Pica, president of Friends of the Earth, said in a statement. "This victory belongs to the hundreds of thousands of activists who fought to protect the Environmental Protection Agency from a corrupt crony set on destroying it from the inside."

But some conservatives lamented that Pruitt had finally fallen victim to pressure from his political opponents.

"Lesson to other Trump officials from Pruitt resignation: Give the left/media/organized greens any molehill and they will turn it into K2," wrote Kimberley Strassel, a Wall Street Journal columnist and member of its editorial board. "Most of the accusations were overwrought, but the barrage was overwhelming. Let's hope an equally reformist successor denies them a repeat."

Conservative pundit Hugh Hewitt defended Pruitt as a "good friend and a very good man, caricatured by [the] left" and the mainstream media.

"I hope he sets to work on a memoir ASAP and deals out a tenth of what he took," Hewitt <u>wrote</u> on Twitter. "He's a man of great faith and perseverance so he probably won't, but the attacks on his family were unconscionable."

A handful of moderate Republican lawmakers called for Pruitt to be ousted early on, but congressional leaders supportive of his deregulatory agenda prevented the hot water Pruitt was in from increasing beyond a gentle simmer. And despite White House staffers' annoyance at his public stumbles, Pruitt reportedly enjoyed for months a chummy relationship with the president himself. The pair <u>reportedly</u> even gabbed on the phone regularly.

Pruitt's support among Republicans began to wane after emails and testimony from close aides showed that Pruitt on multiple occasions had used EPA resources and personnel to carry out errands and search for a job for his wife, Marlyn.

With scrutiny intensifying, half a dozen aides close to Pruitt departed EPA within a few weeks of each other, including his top policy adviser, his chief of security and a longtime friend from Oklahoma whom Pruitt had placed in charge of the Superfund program.

Emails released following lawsuits and aides' testimony to House investigators revealed that Pruitt had used EPA staff to search for housing for him and to inquire about obtaining a Chick-fil-A franchise for his wife — potential violations of laws prohibiting tasking federal workers with personal matters. Further, it was shown that Pruitt had used his aides to seek other employment opportunities for his wife, including from major GOP donors — raising questions about whether Pruitt had used his official position to benefit his family.

For Pruitt's critics, these revelations moved beyond other Pruitt actions that were questionable but politically survivable.

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On Thursday, Democrats on the House Oversight Committee released <u>new transcripts</u> from interviews with Pruitt's closest aides, backing up aspects of many of the recent allegations against him.

Three aides, including chief of staff Ryan Jackson, acknowledged removing many meetings from his calendars deemed "personal," including retroactively removing reference to a dinner with Cardinal George Pell after Pell's arrest on alleged sexual abuse charges.

"I did that because there were — and there have been since — just personal dinners or personal meetings which he has had that if it doesn't relate to EPA business, I don't think it's necessary to put it on the schedule," Jackson told Oversight Committee staff.

Another former aide, policy adviser Samantha Dravis, said she helped Marlyn Pruitt seek employment opportunities during work hours by tapping into her connections to conservative organizations. But she said Pruitt's push for his wife to land a \$250,000-a-year post given her limited work experience was too much—even for the Federalist Society. Dravis said she ultimately refused to contact certain organizations and expressed concern doing would violate the Hatch Act.

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Meanwhile, influential conservative voices began questioning whether Pruitt's antics were finally causing too much drag on the president's agenda.

Laura Ingraham, the conservative pundit known to be a favorite confidant of Trump, tweeted June 13 that Pruitt's bad judgment was hurting the president and meant he had "gotta go." The National Review called for his ouster, saying Pruitt had mistreated taxpayers. And Republican senators started saying Pruitt should be hauled in for a hearing, though they stopped short of calling for his resignation.

The president did not immediately name a nominee to serve as a permanent successor, as he did for similar high-profile departures in recent months. Senate Republicans have <u>questioned</u> whether another administrator could even be confirmed this year given the Senate's tight schedule and the GOP's razor-thin majority.

That leaves Pruitt's deputy, Wheeler, in charge at EPA in an acting capacity for the foreseeable future.

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Wheeler is a more traditional Washington conservative than Pruitt, familiar with the workings of both the town and Congress. But environmentalists see little practical difference between Wheeler and Pruitt, who arrived at the agency after suing it 14 times and with no background in environmental policy.

Wheeler, like Pruitt, is expected to continue his deregulatory agenda, rolling back Obama-era environmental regulations like the Clean Power Plan or the Waters of the U.S. rule. And the White House is likely to continue its quest to slash EPA's budget drastically, although Congress has twice rejected such cuts and some Republicans have questioned whether the agency can go any lower.

Nancy Cook and Daniel Strauss contributed to this report.

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#### **How Scott Pruitt blew it Back**

By Alex Guillén and Andrew Restuccia | 07/05/2018 05:50 PM EDT

Scott Pruitt's once bright political future is in freefall after his swift exit as head of the EPA, following an avalanche of revelations about his first-class flights, pricey security trappings, backdoor raises for proteges and cozy deals with lobbyists stretching back to his days as an Oklahoma lawmaker.

Some of the most outlandish news reports about Pruitt's leadership at EPA went viral in recent months because of the bizarre details, such as the accusations that he had used his bodyguards to search for a rare brand of lotion or had tasked an aide with trying to buy a used mattress from the Trump International Hotel.

But beneath it all, according to ethics experts and Pruitt's critics, was the appearance that he had serially misused his Cabinet position, sometimes for simple vanity but occasionally — most consequentially — in ways that benefited himself and his family, drawing civil and potentially even criminal inquiries. And eventually, it was too much even for President Donald Trump, one of Pruitt's most outspoken fans.

Trump said the decision to resign was Pruitt's and that "no final straw" had precipitated the move, which has been in the works for a couple days. But in fact, Trump had begun to grow tired of the torrent of negative news stories about Pruitt and had come to believe they were a distraction that wouldn't go away, according to an administration official.

Among Trump's confidants, North Dakota billionaire oilman Harold Hamm was one of a dwindling number of people defending Pruitt, people close to Hamm and the White House told POLITICO.

"Scott is a terrific guy," Trump told reporters on Air Force One on Thursday after tweeting out the news of Pruitt's resignation. "And he came to me and he said I have such great confidence in the administration. I don't want to be a distraction. And I think Scott felt that he was a distraction."

The news dismayed prominent Republican donor Doug Deason, who told POLITICO late Thursday that he's flabbergasted Trump would send such a loyal foot soldier packing.

"I am just so disappointed in the President's failure to support Scott against the angry attacks from the loony left," said Deason, who had helped Pruitt pick new members of an influential EPA's science advisory board last year. "Nothing he did amounted to anything big. He was THE most effective cabinet member by far."

"Scott Pruitt is a sacrificial lamb and I have no idea why," he added.

Chief of staff John Kelly had been pushing Trump for months to fire Pruitt, and he ramped up his campaign in recent days, according to one person close to the White House. The person described removing Pruitt as one of Kelly's top priorities before leaving the administration, as he's expected to do sometime this summer.

But Kelly's frustration with Pruitt alone would never be enough to secure the EPA administrator's ouster.

At the White House, senior aides were increasingly convinced that Trump would soon push Pruitt out, but they didn't know exactly when and some were caught off guard by Thursday's announcement.

Pruitt, who believes he has a strong personal relationship with Trump, has told allies repeatedly in recent months that he wasn't worried about his job, insisting that the president had his back.

But Pruitt nonetheless showed flashes of irritation over the wave of negative press attention that overtook him. He told aides recently that he believed the reports about him were unfair, adding that he simply didn't understand why people were making such a big deal about his decision to enlist an aide to help his wife secure a Chick-fil-A franchise, according to another person familiar with the matter.

White House staffers had long ago given up on Pruitt, rarely coming to his defense when negative news stories dominated the headlines. Aides were sick of answering questions about the EPA chief and spoke privately about their hope that the president got rid of him. Even Pruitt's own staff had begun to sour on him, with many worrying that their future career prospects would be damaged by their association with Pruitt's tenure.

Each scandal seemed more damning than the last.

Pruitt faced criticism last year for his extensive first-class travel on the taxpayer dime and security expenses including a \$43,000 soundproof phone booth in his office. Then news this spring that Pruitt had secured a \$50-a-night Capitol Hill condo lease from the wife of a lobbyist kicked off several months of damaging headlines on a nearly daily basis. His staff talked of getting him a \$100,000-a-month private jet lease. Two aides who came with him from Oklahoma received massive raises Pruitt was later forced to reverse. He replaced the head of his security detail who wouldn't let him use lights and sirens to zip around the city like the president. And a top career official was dismissed after he questioned the security justifications for Pruitt's beefed up, multimillion-dollar protective detail.

Questions were raised about why Pruitt hired a longtime friend, whose bank over the years issued Pruitt multiple mortgages and helped him buy part ownership of a baseball team, and who was recently banned from the banking industry, to run EPA's Superfund program.

In recent weeks, former Pruitt aides told staffers on the House Oversight Committee about the administrator's search for a high-paying job for his wife and his use of EPA time and staff for personal matters. Although nascent, the new allegations raised questions of whether Pruitt had used his position to benefit his family or himself. Committee aides tell POLITICO their investigation will continue despite Pruitt's departure.

EPA's inspector general opened multiple overlapping probes into Pruitt's activities and spending. House Oversight Chairman Trey Gowdy (R-S.C.) turned heads when he launched his own investigation of Pruitt. Other inquiries are underway by the Government Accountability Office, the Oklahoma Bar Association and even the White House.

Pruitt's controversial activities led conservatives to call for his departure.

"Pruitt is the swamp. Drain it," Laura Ingraham, the conservative pundit known to have Trump's ear, <u>tweeted</u> on Tuesday.

Democrats and environmental groups quickly claimed victory with Pruitt's resignation.

"He made swamp creatures blush with his shameless excesses. All tolerated because President Trump liked his zealotry," Rep. Gerry Connolly (D-Va.) said.

"Ethics matter. So does a commitment to EPA's central mission. Scott Pruitt failed miserably on both counts," said Rhea Suh, president of the Natural Resources Defense Council.

Within the White House, a less splashy headline also helped undermine Pruitt's standing with Trump's inner circle: The news, first <u>reported</u> in early January by POLITICO, that Pruitt was advocating quietly but firmly behind the scenes to replace Jeff Sessions as Trump's attorney general. That ambition was a turning point that sourced Pruitt to key White House aides, if not the president himself, officials said in the intervening months. Pruitt grew bolder, eventually directly asking Trump for the DOJ job, CNN <u>reported</u> on Tuesday, just two days before Pruitt resigned.

Pruitt's troubles had been simmering for a long time as other Cabinet officials were picked off following their own scandals or tension with Trump, including HHS Secretary Tom Price, Veterans Affairs Secretary David Shulkin and Secretary of State Rex Tillerson.

His supporters noted that, unlike Price or Tillerson, Pruitt was viewed as an effective and loyal lieutenant to Trump.

"It is extremely difficult for me to cease serving you in this role first because I count it a blessing to be serving you in any capacity, but also, because of the transformative work that is occurring," Pruitt wrote in his resignation letter to Trump.

Pruitt rose to prominence as Oklahoma's attorney general, where he made his name suing the Obama EPA 14 times over what he called gross regulatory overreach. One of his greatest achievements was the Supreme Court's early 2016 decision to block the Clean Power Plan, a massive regulation that set the first-ever carbon dioxide limits on the power industry, while a lower court reviewed the rule — the first time the justices had ever done that.

He convinced Trump that such tenacity would prove useful in fulfilling his many campaign promises to undo almost all of former President Barack Obama's environmental agenda.

It didn't take long after Pruitt had arrived at EPA for him to halt and reverse key regulations Trump had vowed to roll back, including the power plant rule and Obama's Waters of the U.S. rule, which farmers and other industries decried as federal overreach.

But Pruitt went beyond the standard-issue Washington conservative environmental agenda that called for repealing those rules.

EPA is soon expected to propose a much more restricted version of the Clean Power Plan to satisfy legal requirements. But Pruitt has also kept open the option not to replace it at all, a position that most legal experts agree is untenable but which helps satisfy the right-wing groups that want EPA to stop regulating greenhouse gases altogether.

More recently, Pruitt made it clear he was willing to fight California over rolling back auto emissions standards. Carmakers who asked EPA for tweaks to the program instead found an administrator more than willing to torpedo the fragile national program if one of the most anti-Trump states didn't come to heel.

Pruitt proposed a new science policy that would exclude major public health studies while still accepting industry-backed research, a policy Republicans failed for years to pass out of Congress. He kicked academic researchers receiving funding from EPA off of key advisory boards, often replacing them with industry representatives. He made key policy changes to permitting rules and a key air quality program long sought by industry groups who said EPA was restricting their growth. He launched a review of how EPA calculates costs and benefits, a move that could make it harder to economically justify major regulations.

And he elevated climate change as a culture-war issue in a way that previous Republican administrators avoided.

Pruitt told POLITICO that he didn't even understand when critics called him a "climate denier" in an <u>interview</u> last summer. "What does it even mean? That's what I think about it. I deny the climate? Really? Wow, OK. That's crazy, in my view," he said.

As Hurricane Irma throttled Florida in 2017, the second of three major storms to devastate parts of the U.S. last year, Pruitt told CNN that it was "misplaced" to ask about climate change's effects on extreme weather during the disaster.

And Pruitt routinely criticized the "environmental left" for focusing too much on climate change to the detriment of other environmental problems like Superfund clean-ups and water infrastructure — although green groups said he failed to lead on those issues as well.

The climate change positioning helped Pruitt gain the ear of Trump, who had called the phenomenon a hoax created by the Chinese to disenfranchise U.S. manufacturing.

Pruitt outmaneuvered other top administration officials, including Tillerson and Trump economic adviser Gary Cohn, to convince Trump that the Paris agreement was a bad deal that put America second. Trump then made the U.S. the only nation on Earth to ditch the Paris climate agreement.

Unsurprisingly, Pruitt's rapid rise and strong conservative pedigree drew talk of future political runs.

Although Pruitt eschewed this year's Oklahoma gubernatorial race, many observers suspected he would be the top choice in 2020 to replace Sen. Jim Inhofe (R-Okla.), who has not said whether he will run again but will turn 86 that year. Rumor swirled that the Senate gig would groom Pruitt for a 2024 presidential run, and Pruitt held meetings with politically connected people who could one day be useful for such a campaign, including a company <u>linked</u> to GOP megadonor Sheldon Adelson and an Indiana coal executive-slash-Republican fundraiser.

But Pruitt's political ambitions and penchant for secrecy eventually came back to bite him.

His behind-the-scenes lobbying for Sessions' job earlier this year alienated him to top White House officials, and the slow drip of negative headlines about his travel, spending and hiring irritated them further.

But in late March, the news about his lobbyist-connected condo deal opened the floodgates to a seemingly endless stream of reports about Pruitt's activities.

At first, the drip-drip of damaging stories was embarrassing but manageable.

Then, as part of a media tour that mostly consisted of friendly interviews with conservative outlets, Pruitt found himself forced into defense by a combative Fox News interview. Though the president was publicly supportive of Pruitt, the White House acknowledged it was reviewing his activities.

The investigation launched by Gowdy, the House Oversight chairman planning to retire after this year, showed the first cracks in Pruitt's support on the Hill. Weeks later, Senate Republicans started airing concerns, while Inhofe — a longtime friend of Pruitt's — said he was troubled by reports of Pruitt's past purchase of a large Oklahoma City home from a telecom lobbyist when he was a state senator.

Inhofe, who later said Pruitt had allayed his concerns, praised his fellow Oklahoman's work running EPA in a statement on Thursday.

"He was single minded at restoring the EPA to its proper statutory authority and ending the burdensome regulations that have stifled economic growth across the country," he said. "I was pleased to work with him on critical issues, like pulling out of the Paris Climate Agreement and prioritizing the cleanup of Superfund sites."

If Inhofe ultimately decides to retire but backs someone else to succeed him in 2020, Pruitt's once-clear path to the Senate — and potentially one day the presidency — could be significantly muddied.

Nancy Cook and Anthony Adragna contributed to this report.

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## Trump: Pruitt didn't want to be a 'distraction' Back

By Stephanie Murray | 07/05/2018 06:27 PM EDT

Environmental Protection Agency head Scott Pruitt abruptly left his Cabinet-level position in the administration because he didn't want to be a "distraction," President Donald Trump told reporters on Thursday afternoon.

"He'll go on to great things and he's going to have a wonderful life, I hope," Trump said on Air Force One, according to a pool report. "But he felt that he did not want to be a distraction for an administration that he has a lot of faith in."

Pruitt is the latest high-ranking official to exit the Trump administration. The former EPA chief had been embroiled in a laundry list of ethics scandals during his tenure. Among them: Pruitt allegedly asked staffers to carry out errands and find his wife a job, and he installed a \$43,000 soundproof booth in his office and made other unusual security demands.

In his <u>resignation letter</u>, Pruitt praised the president and said "unrelenting attacks" have taken a toll on him and his family. Most recently, a woman confronted Pruitt in a restaurant and urged him to resign. The confrontation was caught on video and spread widely on the Internet.

There was no final straw that triggered Pruitt's resignation, and the choice was "very much up to him," Trump said during the gaggle on Air Force One. According to the president, the resignation had been in the works for a couple of days.

"Scott Pruitt did an outstanding job inside of the EPA. We've gotten rid of record-breaking regulations, and it's been really good," Trump said. "His deputy has been with me actually a long time. He was very much an early Trump supporter. He was with us on the campaign. He is a very environmental person. He's a big believer, and he's going to do a fantastic job."

Pruitt initially supported former Florida Gov. Jeb Bush, a rival of Trump's during the 2016 campaign for the GOP presidential nomination. New acting EPA chief Andrew Wheeler, who has been serving as Pruitt's deputy and was previously a coal lobbyist, initially served as a volunteer consultant on the campaign of another rival, Sen. Marco Rubio (R-Fla.).

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## Pruitt resigns amid torrent of ethics woes Back

By Anthony Adragna, Alex Guillén and Emily Holden | 07/05/2018 03:49 PM EDT

Scott Pruitt resigned from his post as administrator of the EPA on Thursday, finally bowing to a torrent of spending, travel and secrecy scandals that ended his run as one of President Donald Trump's most aggressive anti-regulation enforcers.

Trump continued praising his embattled EPA leader even after the ax fell — and months after most of his White House aides, including chief of staff John Kelly, had soured on him because of the increasingly bizarre accusations concerning Pruitt's use of agency employees to obtain housing, lotion, used mattresses, dinner with a Vatican cardinal and a job for his wife.

But the news about Pruitt had also turned potentially more dangerous, including what congressional Democrats said Thursday was evidence that his top aides had altered his official EPA calendar to hide politically troublesome meetings. Meanwhile, the coming media maelstrom over Trump's soon-to-be-announced Supreme Court nomination should soon erase any momentary headlines over Pruitt's departure.

"Within the Agency Scott has done an outstanding job, and I will always be thankful to him for this. ... We have made tremendous progress and the future of the EPA is very bright!" Trump tweeted. He added that Andrew Wheeler, Pruitt's deputy, would become acting administrator.

Trump later told reporters that "no final straw" led to Pruitt's decision to step down.

"Look, Scott is a terrific guy," the president said. "And he came to me and he said, 'I have such great confidence in the administration. I don't want to be a distraction.' And I think Scott felt that he was a distraction."

Trump said the decision had been in the works for "a couple of days."

Pruitt's critics were mainly jubilant — though deeply suspicious of Wheeler, a former coal lobbyist who is widely expected to pursue the same agenda of undoing former President Barack Obama's climate change agenda.

"Thank God he's gone," Sen. Tom Carper, the top Democrat on the Senate Environment and Public Works Committee, said of Pruitt. "This is a day to celebrate."

Among Trump's confidants, North Dakota billionaire oilman Harold Hamm was one of a dwindling number of people defending Pruitt, people close to Hamm and the White House told POLITICO.

Thursday's move came just two days after POLITICO reported Pruitt installed the former treasurer of his super PAC to lead the office in charge of releasing his public records and after CNN reported Pruitt directly asked Trump to remove Attorney General Jeff Sessions and give the position to him. Those were only a couple of the latest damaging accusations about Pruitt just this week, following months of drip-drip-drip disclosures about a \$50-a-night Capitol Hill condo rental from a lobbyist's wife, first-class travel, dramatic increase in spending on security and uncompensated personal work that he received from EPA aides. (See POLITICO's running summary of Pruitt's controversies here.)

In his resignation letter, Pruitt praised Trump, but said the litany of bad headlines had forced him to leave the job.

"It is extremely difficult for me to cease serving you in this role first because I count it a blessing to be serving you in any capacity, but also, because of the transformative work that is occurring," Pruitt wrote. "However, the unrelenting attacks on me personally, my family, are unprecedented and have taken a sizable toll on all of us."

Even as more than a dozen investigations were initiated by EPA's inspector general, the House Oversight Committee, the White House, the GAO and the Oklahoma Bar Association, Trump continued to publicly back Pruitt, who was strongly supported by many conservatives. Since the spring, when his condo deal came to light, triggering a snowballing series of embarrassing stories about the EPA administrator, Pruitt managed to keep his head above water.

But some sources suggested Trump's support for Pruitt began to crumble after news emerged that Pruitt had pressed an aide to try to buy a used mattress from Trump's hotel, and that he had security staff chauffeur him around Washington to buy his favorite brand of skin lotion — raising concerns that more such stories would follow. The timing of the resignation announcement also appeared favorable, since the announcement of a new Supreme Court nominee Monday would likely overshadow the EPA news.

One Republican close to the White House said that Trump's support for Pruitt dropped with the realization that Wheeler could easily carry out the same regulatory rollback — but without the scandalous headlines. Some Republicans had been making that argument for months, however.

"It became increasingly apparent to the president, from conversations with the Hill and people inside the administration, that everyone loves Andrew Wheeler, and that Trump could get the same results without the drama," the Republican said. "If they did not have an heir apparent, this would probably be a different situation."

Environmentalists were quick to take a victory lap over Pruitt's resignation.

"Scott Pruitt's corruption and coziness with industry lobbyists finally caught up with him," Erich Pica, president of Friends of the Earth, said in a statement. "This victory belongs to the hundreds of thousands of activists who fought to protect the Environmental Protection Agency from a corrupt crony set on destroying it from the inside."

But some conservatives lamented that Pruitt had finally fallen victim to pressure from his political opponents.

"Lesson to other Trump officials from Pruitt resignation: Give the left/media/organized greens any molehill and they will turn it into K2," wrote Kimberley Strassel, a Wall Street Journal columnist and member of its editorial board. "Most of the accusations were overwrought, but the barrage was overwhelming. Let's hope an equally reformist successor denies them a repeat."

Conservative pundit Hugh Hewitt defended Pruitt as a "good friend and a very good man, caricatured by [the] left" and the mainstream media.

"I hope he sets to work on a memoir ASAP and deals out a tenth of what he took," Hewitt <u>wrote</u> on Twitter. "He's a man of great faith and perseverance so he probably won't, but the attacks on his family were unconscionable."

A handful of moderate Republican lawmakers called for Pruitt to be ousted early on, but congressional leaders supportive of his deregulatory agenda prevented the hot water Pruitt was in from increasing beyond a gentle simmer. And despite White House staffers' annoyance at his public stumbles, Pruitt reportedly enjoyed for months a chummy relationship with the president himself. The pair <u>reportedly</u> even gabbed on the phone regularly.

Pruitt's support among Republicans began to wane after emails and testimony from close aides showed that Pruitt on multiple occasions had used EPA resources and personnel to carry out errands and search for a job for his wife, Marlyn.

With scrutiny intensifying, half a dozen aides close to Pruitt departed EPA within a few weeks of each other, including his top policy adviser, his chief of security and a longtime friend from Oklahoma whom Pruitt had placed in charge of the Superfund program.

Emails released following lawsuits and aides' testimony to House investigators revealed that Pruitt had used EPA staff to search for housing for him and to inquire about obtaining a Chick-fil-A franchise for his wife — potential violations of laws prohibiting tasking federal workers with personal matters. Further, it was shown that Pruitt had used his aides to seek other employment opportunities for his wife, including from major GOP donors — raising questions about whether Pruitt had used his official position to benefit his family.

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The president did not immediately name a nominee to serve as a permanent successor, as he did for similar high-profile departures in recent months. Senate Republicans have <u>questioned</u> whether another administrator could even be confirmed this year given the Senate's tight schedule and the GOP's razor-thin majority.

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Wheeler, like Pruitt, is expected to continue his deregulatory agenda, rolling back Obama-era environmental regulations like the Clean Power Plan or the Waters of the U.S. rule. And the White House is likely to continue

its quest to slash EPA's budget drastically, although Congress has twice rejected such cuts and some Republicans have <u>questioned</u> whether the agency can go any lower.

Nancy Cook and Daniel Strauss contributed to this report.

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## Ethanol producers hoping for better treatment from new EPA chief Back

By Eric Wolff | 07/05/2018 05:31 PM EDT

Ethanol producers hope <u>Andrew Wheeler</u>, who will be taking the reigns at EPA as of Friday night, will be more corn-friendly in his management of the Renewable Fuel Standard than soon-to-depart Administrator Scott Pruitt.

"President Trump made the right decision," said Iowa Sen. <u>Chuck Grassley</u>, who had been infuriated by Pruitt's actions on the RFS, in a statement on Pruitt's resignation. "Fewer things are more important for government officials than maintaining public trust. Administrator Pruitt, through his own actions, lost that trust. I hope Acting Administrator Wheeler views this as an opportunity to restore this Administration's standing with farmers and the biofuels industry."

Pruitt <u>antagonized</u> ethanol producers and Midwestern farmers with repeated efforts to ease RFS requirements on refiners at what corn farmers perceived as their expense. Before joining EPA, Wheeler was a lobbyist whose clients included ethanol producer trade association Growth Energy.

"That sound you hear is a collective sigh of relief coming from the Midwest," said Bob Dinneen, CEO of the Renewable Fuels Association. "We look forward to working with Acting Administrator Andy Wheeler, whose long career focusing on policies that recognize economic growth and environmental protection are not mutually exclusive is not undermined by an unmistakable anti-ethanol, anti-farmer bias."

Wheeler has a reputation in D.C. as a smooth operator with deep relationships on the Hill.

"What changes is that Wheeler knows how to get things done at the agency and, in general, in Washington," a refining industry source said over email. "With Andy I think there will be less free-lancing and more a focus on working with career folks at EPA.... Quite frankly, less free lancing will serve the interests of all stakeholders."

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## Pruitt's replacement 'should scare anyone who breathes' Back

By Eric Wolff and Alex Guillén | 05/04/2018 05:49 PM EDT

The man taking the reins at the Environmental Protection Agency following the resignation of Scott Pruitt is a longtime Washington insider and coal lobbyist who is set to pursue the same anti-regulation agenda — only without all of Pruitt's baggage.

Andrew Wheeler, <u>sworn</u> in as EPA's deputy administrator in late April after a six-month confirmation battle, has spent decades in what President Donald Trump calls "the swamp," first as a top aide to Sen. <u>Jim Inhofe</u> (R-Okla.) at the Environment and Public Works Committee, then as an energy lobbyist for clients such as the politically active coal company Murray Energy.

On Thursday, Trump named Wheeler as EPA's acting administrator after accepting Pruitt's resignation. He is set to take the job Monday.

In contrast to Pruitt, an Oklahoma conservative who alienated a growing number of fellow Trump-supporting Republicans, Wheeler is a smooth insider with a penchant for policy details and a reputation for working well with both friends and adversaries. But those who have dealt with him say he's on board with the broad deregulatory agenda that Pruitt and Trump have pursued.

"I have no doubt that Andy will continue on with our great and lasting EPA agenda," Trump tweeted in announcing Pruitt's resignation. "We have made tremendous progress and the future of the EPA is very bright!"

Wheeler, who shares many of Pruitt's anti-regulatory views, is expected to "stay the course" with many of Pruitt's policies, according to one EPA source.

Republicans and other allies quickly praised Wheeler as a steady hand for an agency in turmoil.

Wheeler is the "perfect choice" for acting administrator, said Inhofe.

"Andrew worked for me for 14 years, has an impeccable reputation and has the experience to be a strong leader at the EPA," Inhofe added. "I have no doubt and complete confidence he will continue the important deregulatory work that Scott Pruitt started while being a good steward of the environment."

"I have confidence that Andrew Wheeler will be a good partner at #EPA, and I look forward to working with him on the" Renewable Fuel Standard, tweeted Sen. Joni Ernst (R-Iowa), who in recent months had expressed public anger over moves by Pruitt that upset the ethanol industry.

"Wheeler knows how to make the trains run on time at the agency and will be more inclined to work with career folks," said one refining industry source. "Andy also has strong relationships on the Hill from his work there, and that will work to the agency's benefit as well."

Environmentalists were glad to see Pruitt go, but many quickly acknowledged that Wheeler will be a formidable adversary to their agenda.

"Wheeler is much smarter and will try to keep his efforts under the radar in implementing Trump's destructive agenda," Jeremy Symons, vice president for political affairs at the Environmental Defense Fund, said in May before Pruitt's resignation. "That should scare anyone who breathes."

"Andrew Wheeler is equally unqualified to serve as the nation's chief environmental steward," said Ana Unruh Cohen of the Natural Resources Defense Council. "Like Pruitt, this veteran coal lobbyist has shown only disdain for the EPA's vital mission to protect Americans' health and our environment. Make no mistake: we'll fight Wheeler's pollution agenda with the same vigor as we did Pruitt's."

It is not clear how long Wheeler may be left leading EPA on an acting basis, as Senate Republicans have questioned whether any nominee could win confirmation this year amid the upcoming midterm elections and the GOP's razor-thin majority in the chamber.

With Pruitt out, Wheeler faces the task of managing a 14,000-employee agency where much of the career staff, and even many Republican political appointees, has been demoralized by the cascade of scandals.

Besides his personal troubles, Pruitt arrived at EPA as one of its most determined adversaries, having filed a series of lawsuits in concert with industry groups to overturn the agency's Obama-era climate and environmental regulations. Pruitt's security team also blocked most agency employees from entering rooms and corridors near his third-floor offices.

Wheeler, in contrast, came to the agency steeped in its work.

He spent four years working at EPA at the start of his career, before going on to work for Inhofe and the Senate environment committee. He helped create the federal ethanol mandate that remains a major source of friction for EPA, dividing Republicans in the Senate. He also represented coal magnate Bob Murray as a lobbyist through the battles over the Obama administration's climate regulations for power plants, and then later in trying to persuade the Energy Department to bail out financially ailing coal power plants.

Former Hill colleagues emphasize his ability to find common ground with political opponents, including former Sen. Jim Jeffords (I-Vt.), and former liberal Democrat Sen. Barbara Boxer of California, both of whom have chaired the environment committee. Matt Dempsey, who worked for Wheeler under Inhofe, said Wheeler's ability to find common cause was one factor in the Jeffords-Inhofe and Jeffords-Boxer relationships that led to passage of highway bills and other major legislation.

"A lot of that is due to Andrew," said Dempsey, now a managing director at FTI Consulting. "He has an ability to work across the aisle and get things done."

That ability to work the Hill could be critical at EPA, where Pruitt's efforts to make changes to the ethanol program divided oil-state and corn-state Senate Republicans. Those efforts have especially infuriated corn supporters led by Sen. Chuck Grassley (R-Iowa), who accused Pruitt in May of "screwing the family farmer."

Wheeler's former colleagues think he might be able to smooth those waters.

"He is someone who, generally on policy, though we might not always agree, is someone who will listen to the other side of the aisle on how we formulate policy," a Democratic aide who has worked with Wheeler told POLITICO, noting that that trait could be especially important if the House or Senate flips after the midterms. "Being a product of the Senate and of the Congress, it will be much easier for those who are here to interact with him."

Among other things, the Democratic aide said, Wheeler respects Congress' role in the authorization and appropriations process and would be much more willing to appear at congressional hearings — unlike Pruitt, who was scarce on the Hill.

The aide also said they think Wheeler's reputation as a "rule-driven" staffer would ensure stricter adherence to ethics standards at the agency.

Wheeler may also be better able to repair the fractured relationship between the political appointees at the top of the agency and career staff, who have felt left out or ignored by Pruitt on key issues. Wheeler spent some of his first days back at the agency visiting the offices of career staff and making introductions, a marked change from his boss, according to an EPA official.

"The impression he creates is very personable, respectful, good listener," said another EPA employee. "He's very interested in being involved in the substantive issues. He's ready to get involved in our issues."

Still, most of the people interviewed agreed that Wheeler would advance Trump's and Pruitt's agenda of undoing major Obama-era regulations, including the power plant climate rule and a sweeping measure on streams and wetlands.

"I think that Andrew is well aware of the president's agenda, and the parts of the agenda that are the responsibility of the EPA," said Andy Ehrlich, now a partner at the lobbying and political consulting firm Total Spectrum, who recruited Wheeler from the Hill in 2009 to the law firm Faegre Baker Daniels and worked with him for years. "I would expect based on my experience with Andrew to do what he can to see that the president's s agenda at the EPA is fulfilled in a methodical and thoughtful way."

Pruitt and Wheeler may have some small differences: The Democratic aide said Wheeler might offer more support to the agency's research, in contrast to Pruitt. But people who know Wheeler see him as a "true believer" in rolling back regulations who is comfortable in the weeds of policy.

Environmental groups also believe Wheeler has his own ethics baggage, citing <u>reports</u> that he held fundraisers for political patrons in the months ahead of his official nomination to EPA.

Brune held out one bit of hope — that Wheeler would face the same obstacles as Pruitt in turning back EPA's environmental protections.

"Any executive with EPA, administrator or deputy, will have a hard time trying to flout the findings of the scientific community and operate against the public will," Brune said. "I don't think Wheeler would be more effective at that than Pruitt has been "

Emily Holden, Anthony Adragna and Ben Lefebvre contributed to this report.

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## **Environmentalists: Pruitt's replacement 'should scare anyone who breathes'** Back

By Eric Wolff | 05/05/2018 06:43 AM EDT

The man taking the reins at the Environmental Protection Agency after Scott Pruitt's downfall is a longtime Washington insider and coal lobbyist who is set to pursue the same anti-regulation agenda — only without all of Pruitt's baggage.

Andrew Wheeler, <u>sworn</u> in as EPA's deputy administrator in late April after a six-month confirmation battle, has spent decades in what President Donald Trump calls "the swamp," first as a top aide to Sen. Jim Inhofe (R-Okla.) at the Environment and Public Works Committee, then as an energy lobbyist for clients such as the politically active coal company Murray Energy.

On Thursday, Trump named Wheeler as EPA's acting administrator after accepting Pruitt's resignation.

In contrast to Pruitt, an Oklahoma conservative who alienated a growing number of fellow Trump-supporting Republicans, Wheeler is a smooth insider with a penchant for policy details and a reputation for working well with both friends and adversaries. But those who have dealt with him say he's on board with the broad deregulatory agenda that Pruitt and Trump are pursuing.

That presents a paradox for environmental groups, who would welcome Pruitt's departure but fear his replacement would be a much more formidable opponent.

"Wheeler is much smarter and will try to keep his efforts under the radar in implementing Trump's destructive agenda," said Jeremy Symons, vice president for political affairs at the Environmental Defense Fund. "That should scare anyone who breathes."

Symons noted that many of Pruitt's aggressive deregulatory efforts have run into trouble in federal courts.

"The problem with the Pruitt approach is it's like a sugar high," said Jeff Navin, a Democratic lobbyist and former Energy Department staffer who has shared lobbying clients with Wheeler. "It feels really, really good for a moment, but if you're not following rules and procedure, not laying down substance for the decision you're making, you're not going to last very long."

Another person who has worked with Wheeler said: "He's like Mike Pence is to Trump. ... He's behind the scenes. He'll get a lot done and doesn't need to be in the news."

With Pruitt out, Wheeler faces the task of managing a 14,000-employee agency where much of the career staff, and even many Republican political appointees, have been demoralized by the cascade of scandals.

Besides his personal troubles, Pruitt arrived at EPA as one of its most determined adversaries, having filed a series of lawsuits in concert with industry groups to overturn the agency's Obama-era climate and environmental regulations. Pruitt's security team also blocked most agency employees from entering rooms and corridors near his third-floor offices.

Wheeler, in contrast, came to the agency steeped in its work. He spent four years working at EPA at the start of his career, before going on to work for Inhofe and the Senate environment committee. He helped create the federal ethanol mandate that remains a major source of friction for EPA, dividing Republicans in the Senate. He also represented coal magnate Bob Murray as a lobbyist through the battles over the Obama administration's climate regulations for power plants, and then later in trying to persuade the Energy Department to bail out financially ailing coal power plants.

Former Hill colleagues emphasize his ability to find common ground with political opponents, including former Sen. Jim Jeffords (I-Vt.), and liberal former Democratic Sen. Barbara Boxer of California, both of whom have chaired the environment committee. Matt Dempsey, who worked for Wheeler under Inhofe, said Wheeler's ability to find common cause was one factor in the Jeffords-Inhofe and Jeffords-Boxer relationships that led to passage of highway bills and other major legislation.

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That ability to work the Hill could be critical at EPA, where Pruitt's work on making changes to the ethanol program divided oil-state and corn-state Senate Republicans. Those efforts have especially infuriated corn supporters led by Sen. Chuck Grassley (R-Iowa), who <u>accused</u> Pruitt this week of "screwing the family farmer."

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Pruitt and Wheeler may have some small differences: The Democratic aide said Wheeler might offer more support to the agency's research, in contrast to Pruitt. But people who know Wheeler see him as a "true believer" in rolling back regulations who is comfortable in the weeds of policy.

That's the worry of environmental groups, which note the years Wheeler spent working with Inhofe, who calls human-caused global warming a "hoax," and Murray, a fierce opponent of EPA's climate regulations.

Wheeler's "entire professional career, most of it has been devoted to resisting attempts to improve the quality of our air and our water and the safety of our communities," said Sierra Club Executive Director Michael Brune. "He fought against safeguards to limit mercury poisoning. He fought against protections to limit the amount of ozone in our skies. He fought against air pollution from neighboring states. He's a climate denier. So, sadly, he fits in well with EPA leadership."

Environmental groups also believe Wheeler has his own ethics baggage, citing <u>reports</u> that he held fundraisers for political patrons in the months ahead of his official nomination to EPA. Brune held out one bit of hope — that Wheeler would face the same obstacles as Pruitt in turning back EPA's environmental protections.

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Emily Holden and Anthony Adragna contributed to this report.

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Full text: Pruitt's resignation letter Back

07/05/2018 04:17 PM EDT

The full text of Scott Pruitt's resignation letter:

Mr. President, it has been an honor to serve you in the Cabinet as Administrator of the EPA. Truly, your confidence in me has blessed me personally and enabled me to advance your agenda beyond what anyone anticipated at the beginning of your Administration. Your courage, steadfastness and resolute commitment to get results for the American people, both with regard to improved environmental outcomes as well as historical regulatory reform, is in fact occurring at an unprecedented pace and I thank you for the opportunity to serve you and the American people in helping achieve those ends.

That is why is hard for me to advise you I am stepping down as Administrator of the EPA effective as of July 6. It is extremely difficult for me to cease serving you in this role first because I count it a blessing to be serving you in any capacity, but also, because of the transformative work that is occurring. However, the unrelenting attacks on me personally, my family, are unprecedented and have taken a sizable toll on all of us.

My desire in service to you has always been to bless you as you make important decisions for the American people. I believe you are serving as President today because of God's providence. I believe that same providence brought me into your service. I pray as I have served you that I have blessed you and enabled you to effectively lead the American people. Thank you again Mr. President for the honor of serving you and I wish you Godspeed in all that you put your hand to.

Your Faithful Friend, Scott Pruitt

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### How Scott Pruitt blew it Back

By Alex Guillén and Andrew Restuccia | 07/05/2018 05:50 PM EDT

Scott Pruitt's once bright political future is in freefall after his swift exit as head of the EPA, following an avalanche of revelations about his first-class flights, pricey security trappings, backdoor raises for proteges and cozy deals with lobbyists stretching back to his days as an Oklahoma lawmaker.

Some of the most outlandish news reports about Pruitt's leadership at EPA went viral in recent months because of the bizarre details, such as the accusations that he had used his bodyguards to search for a rare brand of lotion or had tasked an aide with trying to buy a used mattress from the Trump International Hotel.

But beneath it all, according to ethics experts and Pruitt's critics, was the appearance that he had serially misused his Cabinet position, sometimes for simple vanity but occasionally — most consequentially — in ways that benefited himself and his family, drawing civil and potentially even criminal inquiries. And eventually, it was too much even for President Donald Trump, one of Pruitt's most outspoken fans.

Trump said the decision to resign was Pruitt's and that "no final straw" had precipitated the move, which has been in the works for a couple days. But in fact, Trump had begun to grow tired of the torrent of negative news stories about Pruitt and had come to believe they were a distraction that wouldn't go away, according to an administration official.

Among Trump's confidants, North Dakota billionaire oilman Harold Hamm was one of a dwindling number of people defending Pruitt, people close to Hamm and the White House told POLITICO.

"Scott is a terrific guy," Trump told reporters on Air Force One on Thursday after tweeting out the news of Pruitt's resignation. "And he came to me and he said I have such great confidence in the administration. I don't want to be a distraction. And I think Scott felt that he was a distraction."

The news dismayed prominent Republican donor Doug Deason, who told POLITICO late Thursday that he's flabbergasted Trump would send such a loyal foot soldier packing.

"I am just so disappointed in the President's failure to support Scott against the angry attacks from the loony left," said Deason, who had helped Pruitt pick new members of an influential EPA's science advisory board last year. "Nothing he did amounted to anything big. He was THE most effective cabinet member by far."

"Scott Pruitt is a sacrificial lamb and I have no idea why," he added.

Chief of staff John Kelly had been pushing Trump for months to fire Pruitt, and he ramped up his campaign in recent days, according to one person close to the White House. The person described removing Pruitt as one of Kelly's top priorities before leaving the administration, as he's expected to do sometime this summer.

But Kelly's frustration with Pruitt alone would never be enough to secure the EPA administrator's ouster.

At the White House, senior aides were increasingly convinced that Trump would soon push Pruitt out, but they didn't know exactly when and some were caught off guard by Thursday's announcement.

Pruitt, who believes he has a strong personal relationship with Trump, has told allies repeatedly in recent months that he wasn't worried about his job, insisting that the president had his back.

But Pruitt nonetheless showed flashes of irritation over the wave of negative press attention that overtook him. He told aides recently that he believed the reports about him were unfair, adding that he simply didn't understand why people were making such a big deal about his decision to enlist an aide to help his wife secure a Chick-fil-A franchise, according to another person familiar with the matter.

White House staffers had long ago given up on Pruitt, rarely coming to his defense when negative news stories dominated the headlines. Aides were sick of answering questions about the EPA chief and spoke privately about their hope that the president got rid of him. Even Pruitt's own staff had begun to sour on him, with many worrying that their future career prospects would be damaged by their association with Pruitt's tenure.

Each scandal seemed more damning than the last.

Pruitt faced criticism last year for his extensive first-class travel on the taxpayer dime and security expenses including a \$43,000 soundproof phone booth in his office. Then news this spring that Pruitt had secured a \$50-a-night Capitol Hill condo lease from the wife of a lobbyist kicked off several months of damaging headlines on a nearly daily basis. His staff talked of getting him a \$100,000-a-month private jet lease. Two aides who came with him from Oklahoma received massive raises Pruitt was later forced to reverse. He replaced the head of his security detail who wouldn't let him use lights and sirens to zip around the city like the president. And a top career official was dismissed after he questioned the security justifications for Pruitt's beefed up, multimillion-dollar protective detail.

Questions were raised about why Pruitt hired a longtime friend, whose bank over the years issued Pruitt multiple mortgages and helped him buy part ownership of a baseball team, and who was recently banned from the banking industry, to run EPA's Superfund program.

In recent weeks, former Pruitt aides told staffers on the House Oversight Committee about the administrator's search for a high-paying job for his wife and his use of EPA time and staff for personal matters. Although nascent, the new allegations raised questions of whether Pruitt had used his position to benefit his family or himself. Committee aides tell POLITICO their investigation will continue despite Pruitt's departure.

EPA's inspector general opened multiple overlapping probes into Pruitt's activities and spending. House Oversight Chairman Trey Gowdy (R-S.C.) turned heads when he launched his own investigation of Pruitt. Other inquiries are underway by the Government Accountability Office, the Oklahoma Bar Association and even the White House.

Pruitt's controversial activities led conservatives to call for his departure.

"Pruitt is the swamp. Drain it," Laura Ingraham, the conservative pundit known to have Trump's ear, <u>tweeted</u> on Tuesday.

Democrats and environmental groups quickly claimed victory with Pruitt's resignation.

"He made swamp creatures blush with his shameless excesses. All tolerated because President Trump liked his zealotry," Rep. Gerry Connolly (D-Va.) said.

"Ethics matter. So does a commitment to EPA's central mission. Scott Pruitt failed miserably on both counts," said Rhea Suh, president of the Natural Resources Defense Council.

Within the White House, a less splashy headline also helped undermine Pruitt's standing with Trump's inner circle: The news, first <u>reported</u> in early January by POLITICO, that Pruitt was advocating quietly but firmly behind the scenes to replace Jeff Sessions as Trump's attorney general. That ambition was a turning point that soured Pruitt to key White House aides, if not the president himself, officials said in the intervening months. Pruitt grew bolder, eventually directly asking Trump for the DOJ job, CNN <u>reported</u> on Tuesday, just two days before Pruitt resigned.

Pruitt's troubles had been simmering for a long time as other Cabinet officials were picked off following their own scandals or tension with Trump, including HHS Secretary Tom Price, Veterans Affairs Secretary David Shulkin and Secretary of State Rex Tillerson.

His supporters noted that, unlike Price or Tillerson, Pruitt was viewed as an effective and loyal lieutenant to Trump.

"It is extremely difficult for me to cease serving you in this role first because I count it a blessing to be serving you in any capacity, but also, because of the transformative work that is occurring," Pruitt wrote in his resignation letter to Trump.

Pruitt rose to prominence as Oklahoma's attorney general, where he made his name suing the Obama EPA 14 times over what he called gross regulatory overreach. One of his greatest achievements was the Supreme Court's early 2016 decision to block the Clean Power Plan, a massive regulation that set the first-ever carbon dioxide limits on the power industry, while a lower court reviewed the rule — the first time the justices had ever done that.

He convinced Trump that such tenacity would prove useful in fulfilling his many campaign promises to undo almost all of former President Barack Obama's environmental agenda.

It didn't take long after Pruitt had arrived at EPA for him to halt and reverse key regulations Trump had vowed to roll back, including the power plant rule and Obama's Waters of the U.S. rule, which farmers and other industries decried as federal overreach.

But Pruitt went beyond the standard-issue Washington conservative environmental agenda that called for repealing those rules.

EPA is soon expected to propose a much more restricted version of the Clean Power Plan to satisfy legal requirements. But Pruitt has also kept open the option not to replace it at all, a position that most legal experts agree is untenable but which helps satisfy the right-wing groups that want EPA to stop regulating greenhouse gases altogether.

More recently, Pruitt made it clear he was willing to fight California over rolling back auto emissions standards. Carmakers who asked EPA for tweaks to the program instead found an administrator more than willing to torpedo the fragile national program if one of the most anti-Trump states didn't come to heel.

Pruitt proposed a new science policy that would exclude major public health studies while still accepting industry-backed research, a policy Republicans failed for years to pass out of Congress. He kicked academic researchers receiving funding from EPA off of key advisory boards, often replacing them with industry representatives. He made key policy changes to permitting rules and a key air quality program long sought by industry groups who said EPA was restricting their growth. He launched a review of how EPA calculates costs and benefits, a move that could make it harder to economically justify major regulations.

And he elevated climate change as a culture-war issue in a way that previous Republican administrators avoided.

Pruitt told POLITICO that he didn't even understand when critics called him a "climate denier" in an <u>interview</u> last summer. "What does it even mean? That's what I think about it. I deny the climate? Really? Wow, OK. That's crazy, in my view," he said.

As Hurricane Irma throttled Florida in 2017, the second of three major storms to devastate parts of the U.S. last year, Pruitt told CNN that it was "misplaced" to ask about climate change's effects on extreme weather during the disaster.

And Pruitt routinely criticized the "environmental left" for focusing too much on climate change to the detriment of other environmental problems like Superfund clean-ups and water infrastructure — although green groups said he failed to lead on those issues as well.

The climate change positioning helped Pruitt gain the ear of Trump, who had called the phenomenon a hoax created by the Chinese to disenfranchise U.S. manufacturing.

Pruitt outmaneuvered other top administration officials, including Tillerson and Trump economic adviser Gary Cohn, to convince Trump that the Paris agreement was a bad deal that put America second. Trump then made the U.S. the only nation on Earth to ditch the Paris climate agreement.

Unsurprisingly, Pruitt's rapid rise and strong conservative pedigree drew talk of future political runs.

Although Pruitt eschewed this year's Oklahoma gubernatorial race, many observers suspected he would be the top choice in 2020 to replace Sen. Jim Inhofe (R-Okla.), who has not said whether he will run again but will turn 86 that year. Rumor swirled that the Senate gig would groom Pruitt for a 2024 presidential run, and Pruitt held meetings with politically connected people who could one day be useful for such a campaign, including a company <u>linked</u> to GOP megadonor Sheldon Adelson and an Indiana coal executive-slash-Republican fundraiser.

But Pruitt's political ambitions and penchant for secrecy eventually came back to bite him.

His behind-the-scenes lobbying for Sessions' job earlier this year alienated him to top White House officials, and the slow drip of negative headlines about his travel, spending and hiring irritated them further.

But in late March, the news about his lobbyist-connected condo deal opened the floodgates to a seemingly endless stream of reports about Pruitt's activities.

At first, the drip-drip of damaging stories was embarrassing but manageable.

Then, as part of a media tour that mostly consisted of friendly interviews with conservative outlets, Pruitt found himself forced into defense by a combative Fox News interview. Though the president was publicly supportive of Pruitt, the White House acknowledged it was reviewing his activities.

The investigation launched by Gowdy, the House Oversight chairman planning to retire after this year, showed the first cracks in Pruitt's support on the Hill. Weeks later, Senate Republicans started airing concerns, while Inhofe — a longtime friend of Pruitt's — said he was troubled by reports of Pruitt's past purchase of a large Oklahoma City home from a telecom lobbyist when he was a state senator.

Inhofe, who later said Pruitt had allayed his concerns, praised his fellow Oklahoman's work running EPA in a statement on Thursday.

"He was single minded at restoring the EPA to its proper statutory authority and ending the burdensome regulations that have stifled economic growth across the country," he said. "I was pleased to work with him on critical issues, like pulling out of the Paris Climate Agreement and prioritizing the cleanup of Superfund sites."

If Inhofe ultimately decides to retire but backs someone else to succeed him in 2020, Pruitt's once-clear path to the Senate — and potentially one day the presidency — could be significantly muddied.

Nancy Cook and Anthony Adragna contributed to this report.

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# Sources: EPA blocks warnings on cancer-causing chemical Back

By Annie Snider | 07/06/2018 05:02 AM EDT

The Trump administration is suppressing an EPA report that warns that most Americans inhale enough formaldehyde vapor in the course of daily life to put them at risk of developing leukemia and other ailments, a current and a former agency official told POLITICO.

The warnings are contained in a draft health assessment EPA scientists completed just before Donald Trump became president, according to the officials. They said top advisers to departing Administrator Scott Pruitt are delaying its release as part of a larger campaign to undermine the agency's independent research into the health risks of toxic chemicals.

Andrew Wheeler, the No. 2 official at EPA who takes over for Pruitt on Monday, also has a history with the chemical. He was staff director for the Senate Environment and Public Works Committee in 2004, when his boss, then-Chairman Jim Inhofe (R-Okla.), sought to delay an earlier iteration of the formaldehyde assessment.

Formaldehyde is one of the most commonly used chemicals in the country. Americans are exposed to it through wood composites in cabinets and furniture, as well as air pollution from major refineries. The new assessment would give greater weight to warnings about the chemical's risks and could lead to stricter regulations from EPA or class-action lawsuits targeting its manufacturers, as frequently occurs after these types of studies are released.

"They're stonewalling every step of the way," the current official said, accusing political appointees of interfering with the formaldehyde assessment and other reports on toxic chemicals produced by EPA's Integrated Risk Information System. Industry has long faulted the IRIS program, the agency's only independent scientific division evaluating the health risks of toxic chemicals, whose assessments often form the basis for federal and state regulations.

The current official and former official requested anonymity out of fear for their jobs and the impact that speaking out could have on the IRIS program.

Interfering with the formaldehyde study is one of several steps Trump's EPA has taken to side with the businesses the agency is supposed to regulate and undermine the agency's approach to science, critics say. Public health advocates also expressed alarm after Pruitt <u>replaced</u> academic scientists with industry advocates on the agency's influential science advisory boards and <u>sought to limit</u> the types of human health research EPA can rely on in rulemakings.

The officials said Trump appointees have required that career officials receive their permission before beginning the required internal review of the formaldehyde study and have canceled key briefings that would have advanced it. That interference came after EPA career scientists revised the study once already last year to insulate it from political controversy, they said.

In a statement, EPA denied that the assessment was being held back.

"EPA continues to discuss this assessment with our Agency program partners and have no further updates to provide at this time," EPA spokeswoman Kelsi Daniell said. "Assessments of this type are often the result of needs for particular rulemakings and undergo an extensive intra-agency and interagency process."

But as far back as January, Pruitt told a Senate panel that he believed the draft assessment was complete.

Five months later, it has yet to see the light of day. Meanwhile, internal documents <u>show</u>, a trade group representing businesses that could face new regulations and lawsuits if the study were released had frequent access to top EPA officials and pressed them to either keep it under wraps or change its findings.

"As stated in our meeting, a premature release of a draft assessment ... will cause irreparable harm to the companies represented by the Panel and to the many companies and jobs that depend on the broad use of the chemical," Kimberly Wise White, who leads the American Chemistry Council's Formaldehyde Panel, wrote in a Jan. 26 <u>letter</u> to top officials at EPA. The panel represents companies including Exxon Mobil and Koch Industries subsidiary Georgia-Pacific Chemicals LLC that could face higher costs from stricter regulations or lawsuits.

Nearly a million jobs "depend on the use of formaldehyde," White's letter argued.

The holdup is attracting attention on Capitol Hill, where Democrats have already expressed alarm, <u>arguing</u> that the Trump administration has allowed politics to interfere in EPA's scientific assessments of threats such as toxic pollution and climate change.

The agency must "move past politics and focus on its job of protecting human health" by releasing the formaldehyde study, Sen. Ed Markey (D-Mass.) said in a statement to POLITICO.

"Because formaldehyde can be found in everything from wood products to women's hair straighteners, the public health risks are substantial," Markey said. "Delaying the EPA's latest assessment of the health risks of formaldehyde only further endangers the health of Americans."

Public health advocates have similarly expressed fears that the Trump administration has allowed EPA to be captured by the industries it regulates. The revelations about the formaldehyde study come after Pruitt removed academic scientists from the agency's influential science advisory boards and in many cases <u>replaced</u> them with industry advocates, and after he proposed a policy to <u>limit</u> the agency's use of human health data while offering a carve-out for confidential industry studies.

"At every corner, you see the agency trying to either minimize the role of science or manipulate the role of science or just ignore the work of scientists in doing the critical work to ensure that human health and the environment is protected," said Jennifer McPartland, a senior scientist with the Environmental Defense Fund's health program.

POLITICO also <u>reported</u> in May that Trump administration officials, including EPA chief of staff Ryan Jackson, sought to delay an HHS <u>study</u> finding that nonstick chemicals pose health dangers at a lower level than EPA has said is safe.

Insiders anticipate few major policy changes under Wheeler, who is widely expected to continue Pruitt's deregulatory agenda and is well-versed in chemicals issues. He began his career in EPA's chemical safety office, and after leaving Inhofe's staff <u>lobbied</u> for a refrigerants manufacturer that was recently acquired by one of the country's major chemical manufacturers, Chemours Co., a DuPont spin-off.

Decades' worth of research has linked formaldehyde to nose and throat cancer and respiratory problems, and newer research has suggested the connection to leukemia — controversial conclusions that would gain significant credence if EPA formally adopts them. The new assessment affirms those links to leukemia, nose and throat cancer and other ailments, according to the current and former officials familiar with its findings.

The new assessment could lead EPA to impose stricter regulations of chemicals refineries or wood products and could spur class-action lawsuits from cancer patients attempting to hold companies responsible for their illnesses.

The agency officials said the political aides blocking the assessment include Jackson and Richard Yamada, a former staffer for House Science Chairman Lamar Smith (R-Texas) who is now a top official in EPA's Office of Research and Development. And they said Nancy Beck, who criticized the IRIS program in her previous job as a top chemical industry expert, is now helping to stymie the program's assessments in her new post as head of EPA's chemical safety office. Jackson, Yamada and Beck did not respond to requests for comment.

The EPA spokeswoman disputed the accusations and said Yamada and Jackson have in fact requested briefings on the assessment.

The current EPA official told POLITICO that political appointees have managed to avoid creating written evidence of their interference with the formaldehyde assessment by refusing to send emails or create other records that could eventually become public, instead using what the official described as "a children's game of telephone."

By blocking the report at the first step of the IRIS review process, political appointees are keeping it from being reviewed by the National Academies of Sciences, an independent panel of the country's top scientists that must weigh in on all such risk assessments. EPA has already paid the academies \$500,000 for that review, the highest level of scrutiny a scientific study can receive, but the work cannot start until Pruitt's aides send the study.

"If the administration was really keen on protecting public health, why wouldn't they send this to the National Academy and give it a really good review?" the former EPA official asked. "If it survives that review, then there's a public health problem that needs to be dealt with, and if it doesn't survive the review, then they can point the finger at IRIS and say, 'You're dead.'"

The former official said there would be only one reason not to ask the country's top experts whether they agree with the analysis: "You don't want the answer."

Public health advocates say the administration's attacks on science have had especially significant implications for the IRIS program. The small office of about 35 experts pores through the huge body of existing research on chemicals, including industry-backed studies aimed at proving the substances safe, to independently assess their risks. While purely scientific, the program's reviews are looked to by regulators not just at EPA, but also in the states and around the world, often paving the way for new or more stringent regulations.

But industry has long targeted the program, arguing it uses an opaque process to decide which studies to rely on and which research to give credence to when findings conflict.

The American Chemistry Council, Beck's former employer, spent more than \$7 million last year lobbying EPA and Congress on issues including IRIS, formaldehyde and the policy to limit EPA's use of human health research. Chemicals manufacturers, including <u>Hexion Inc.</u>, one of the country's largest manufacturers of formaldehyde, have also spent tens of thousands of dollars on lobbying related to the program this year.

A National Academies panel agreed with some of industry's criticisms of the IRIS program in a blistering review of an earlier iteration of the formaldehyde assessment that recommended major changes to how IRIS decides how much weight to give conflicting studies, although it did not attack the substance of its findings about the health effects of formaldehyde. Critics of the IRIS program have pointed to that review frequently as they have sought to kill it, including in an appropriations battle this spring. The EPA spokeswoman also pointed to that assessment in her statement. "The National Academy of Science and Congress in legislative reports have for years been highly critical of EPA's previous assessments involving formaldehyde," she said.

But EPA has overhauled the program since then, hiring a new director for IRIS and a new head of the National Center for Environmental Assessment, in which it is housed. The changes have received high marks from the National Academies in two more recent reviews, <u>one</u> in 2014 and <u>one</u> this past April. The latest formaldehyde assessment is expected to demonstrate further progress implementing the academies' recommendations, potentially undermining industry critiques of the overall IRIS program if it were to be released.

Although efforts to kill EPA's independent scientific arbiter have so far failed, EPA officials and public health advocates say the program has been significantly hobbled under an administration with close ties to the chemicals industry.

White, the top staffer for the American Chemistry Council's Formaldehyde Panel, wrote EPA three times between September 2017 and January 2018, urging the agency to incorporate industry-funded research that found no link between formaldehyde and leukemia, and arguing that the studies shifted the scientific consensus away from the conclusion that it does. In November, Pruitt appointed her to the agency's influential Science Advisory Board.

Less than a week after the council's Jan. 24 meeting with EPA, Pruitt himself confirmed that the report had been complete for months. During a Senate hearing at the end of January, Markey asked Pruitt for an update on the formaldehyde assessment, saying it was his understanding "that the EPA has finalized its conclusion that formaldehyde causes leukemia and other cancers and that [the] completed new assessment is ready to be released for public review, but is being held up."

"You know, my understanding is similar to yours," Pruitt replied, promising to follow up.

Markey reminded Pruitt of the exchange in a May 17 <u>letter</u>. In a <u>response</u> Thursday, the agency's principal deputy assistant administrator for science, Jennifer Orme-Zavaleta, said EPA "continues to discuss the formaldehyde assessment internally and has no further updates to provide at this time."

To view online click here.

## Back

# Trump unleashes in Montana Back

By Matthew Nussbaum | 07/05/2018 07:53 PM EDT

President Donald Trump went on offense on Thursday at a campaign-style rally in Montana, deriding the state's Democratic senator but also launching attacks against the Justice Department, the media, Hillary Clinton, Sen. Elizabeth Warren, the "Me Too" movement and more.

He previewed themes he will highlight as he works to unseat Democratic senators in the midterm elections, while returning to many of his favorite 2016 attacks.

"It's time to retire liberal Democrat Jon Tester," Trump declared to a raucous crowd during the hourlong address in Great Falls, Montana. "A vote for Jon Tester is a vote for Chuck Schumer, Nancy Pelosi and the new leader of the Democrat Party Maxine Waters."

Trump slammed Tester for voting against the repeal of the Affordable Care Act, voting against a major tax cuts bill and for voting no on legislation to ban late-term abortions.

"You wouldn't think he'd play very well out here. How did he get elected?" Trump wondered aloud. "You can right your wrong in November."

He also returned to scathing attacks on the news media just one week after a gunman killed five journalists at a Maryland newspaper.

He derided the press as "fake news," "bad people" and "so damn dishonest."

"They're fake," he said, pointing at the press area in the arena. "These are really bad people."

In a winding speech, Trump also accused the Justice Department of corruption, bragged about his 2016 election win, spoke about his upcoming meeting with Russian President Vladimir Putin and declared that Rep. Maxine Waters, a frequent Trump critic, has an IQ in the "60s."

He repeated, falsely, that he was the first Republican candidate to win Wisconsin since 1952 and repeated his unfounded conspiracy theory that there was extensive voter fraud during the 2016 election. He also mocked Warren at length, deriding Massachusetts Democratic senator as "Pocahontas" and saying he would get her to take a DNA test if she runs against him in 2020 — though he added derisively he would do it carefully because of the "Me Too era."

Warren hit back in a tweet, saying the Trump administration is "conducting DNA tests" on children separated from their families at the border.

The nearly hourlong address was the type of unscripted speech in which Trump delights, riling his base beneath banners reading "Promises Made, Promises Kept."

Trump carried the state by 20 points in 2016, but Republicans face a tough fight to unseat Tester in the state in 2018. Tester is facing off against Republican nominee Matt Rosendale, the state auditor and a former member of the Montana Legislature.

Tester, the top Democrat on the Senate Veterans Affairs Committee, has been on the receiving end of personal barbs from Trump after he played a crucial role in sinking Trump's nominee for Veterans Affairs secretary, White House physician Ronny Jackson.

Trump spoke at length about the Jackson debacle, accusing Tester of "shameful, dishonest attacks on a great man."

The attacks were similar to those Trump made against Tester in the midst of the controversy.

"Allegations made by Senator Jon Tester against Admiral/Doctor Ron Jackson are proving false," Trump tweeted in April as damaging reports about Jackson were emerging. "The Secret Service is unable to confirm (in fact they deny) any of the phony Democrat charges which have absolutely devastated the wonderful Jackson family. Tester should resign."

"Tester should lose race in Montana. Very dishonest and sick!" Trump added on Twitter.

The invective does not seem to have bothered Tester, who took out full-page newspaper ads in the state Thursday that read: "Welcome to Montana & Thank You President Trump," and listing "Jon's 16 bills signed into law by President Trump" — a clear attempt to show the state's Trump-friendly voters that the senator can work with the president.

Trump is scheduled to travel to his golf club in Bedminster, New Jersey, after the rally. He told reporters he will meet over the weekend with Vice President Mike Pence and staff ahead of Monday's planned announcement of his Supreme Court nominee to fill the seat vacated by Justice Anthony Kennedy.

To view online click here.

## Back

# House readies Financial Services, Interior-Environment spending bills for floor Back

By Sarah Ferris | 07/05/2018 02:41 PM EDT

House GOP leaders are planning to bring another spending bundle to the floor this month, according to a notice posted today by the Rules Committee.

The House's next funding package will wrap together its fiscal 2019 Interior-Environment, <u>H.R. 6147 (115)</u>, and Financial Services, <u>H.R. 6258 (115)</u>, spending bills. It is slated for floor action the week of July 16, one week after Congress returns from its July Fourth recess.

It would be the House's second so-called minibus of the fiscal year, after approving a three-bill bundle, <u>H.R.</u> 5895 (115), last month, which included Energy-Water, Military Construction-VA and Legislative Branch. The House also passed a bipartisan Defense spending bill (H.R. 6157 (115)) just before leaving for recess.

Both the Interior-Environment and Financial Services bills are flat-funded compared to current spending levels, though not all agencies and programs would see the same levels. The Environmental Protection Agency, for instance, would be cut by \$100 million, while the Internal Revenue Service would see an increase of \$186 million.

Unlike the Senate's version of those two bills, the House bills include partisan riders, such as a full repeal of the Obama-era Waters of the United States rule.

If the second minibus succeeds, the House will have passed six out of 12 spending bills. The end of the fiscal year is Sept. 30.

To view online click here.

## <u>Back</u>

## Perry's 'national security' push for grid draws skepticism on the Hill Back

By Darius Dixon | 06/19/2018 04:21 PM EDT

The Trump administration is having a hard time winning over skeptics to its claim that the retirement of coal-fired and nuclear power plants poses a national security threat.

For more than a year, Energy Secretary Rick Perry has argued that letting those struggling generators shut down would threaten the power grid's ability to bounce back from an attack or severe storm. Although he's failed to

persuade federal power regulators to prop up the plants, Perry is pushing that argument with the National Security Council in an effort to head off new closures.

Some congressional Republicans said though they are sensitive to the national security concerns and woes of the coal industry, they doubted the grid faces the dire situation that Perry has predicted, and they are wary of intervening in the energy markets.

"I'm a Navy guy. I want our country secure," said Rep. <u>Pete Olson</u> (R-Texas). "But their arguments haven't been about security. It's been about propping up coal and nuclear power."

Olson authored the legislative language that was added to the 2015 FAST Act and expanded Perry's ability to intervene in grid operations during an emergency. But he said the Energy Department's arguments, contained in paper that leaked earlier this month, failed to convince him that shutting down money-losing plants presented a threat to national security.

"A crisis to me means the power is going out. But to support some jobs in some parts of the country, eh, that's not what the bill is designed to do," he said. "Our bill was just to deal with crisis, not to deal with this."

His comments echoed the sentiments of Senate Energy and Natural Resources Chairwoman <u>Lisa Murkowski</u> (R-Alaska), who told the committee last week she had "concerns" about DOE interfering in the power markets.

Coal-fired power plant closures slowed in 2017, but they are expected to accelerate next year with 12.5 gigawatts of capacity expected to shut down, according to <u>Bloomberg New Energy Finance</u>. That figure is near the record retirements of 15 GW set in 2015. Energy experts and even a Perry-directed <u>DOE analysis</u> last year put blame for the plants' demise on stagnant power demand and the rise of natural gas and renewables.

But the <u>draft DOE paper</u> that recently leaked showed that the agency has considered using its authority under the Federal Power Act's 202(c) provision to "temporarily delay retirement of fuel-secure electric generation resources" while threats to natural gas and electric infrastructure are assessed. And it also considered using the Defense Production Act to require power purchases from endangered plants in an effort to put off shutdowns for two years.

President Donald Trump has repeatedly told Perry to step in to help the plants, including earlier this month when he directed Perry to take "immediate steps" to staunch coal and nuclear plant retirements. He called on the former Texas governor to hold a news conference to announce a plan.

It's not the only issue where the Trump administration has invoked "national security" to defend a controversial action. Trump has threatened to use a trade law that leverages national security to impose tariffs on imported vehicles, the same law the administration used to to put tariffs on steel and aluminum.

"Let's face it, there's an awful lot of stuff being lumped into national security," former Obama Energy Secretary Ernest Moniz told POLITICO. "How this works out, I don't know. But I do know we need to ... do appropriate analyses when called for that do not have national security being used willy-nilly to accomplish all kinds of goals that are not necessarily the right ones."

Moniz acknowledged Perry had wide latitude under the law to declare a grid emergency, but he said that didn't absolve the administration from needing to prove there's a real crisis on the power grid.

"Reliability and resilience are public goods. We just haven't seen any analysis that suggests that this is a pathway that's needed to address that," he said.

Jason Bordoff, who served as Obama's senior National Security Council aide for energy and climate, said he fears the current fight could drag the real threat of cybersecurity into the political fray.

"The bigger risk would be a very legitimate issue of the cyber vulnerability of the grid becomes politicized because it gets wrapped up in this policy objective to save the coal industry as well as nuclear," said Bordoff, who is now director for the Center on Global Energy Policy at Columbia University.

Even Rep. <u>Joe Barton</u>, a longtime stalwart Perry ally, said he was skeptical of DOE's insistence that the grid was facing a national security threat from the plant closures.

"They're scrounging around for a way to keep some of these nuclear plants and coal plants viable and they're using that particular argument," the Texas Republican said. "To me, it's not persuasive, but I understand what they're trying to do."

There are real national security threats against the electric grid from electromagnetic pulses, physical attacks and cyber intrusions, Barton said, adding that "in most cases, it's a mistake to use a national security argument to keep a plant in operation that normal market forces would probably close."

Other Perry allies weren't sure how effective the Trump administration's strategy would be. GOP lobbyist Mike McKenna, who helped run Trump's DOE transition team, said the agency laid out the "single best set of arguments for preserving coal and nuclear generation." Still, he said, the options laid out in the DOE document probably would not achieve the protection that coal and nuclear advocates are seeking. And the national security arguments didn't seem to be gaining much traction.

"The national security angle has its advantages and its limits — not the least of those is that not too many people can and do make the argument that national security is really impaired by the closure of coal power plants," he said in an email. "It would probably be better if advocates focused on the potential over-reliance on one source (natural gas) in both electricity generation, and, if utilities get their way, in transportation fuels."

FERC shot down a regulation from Perry aimed at protecting the coal and nuclear generators earlier this year, and FERC commissioners told a Senate <u>hearing</u> last week that the grid faced no imminent threat, drawing praise from industry groups.

Deputy Energy Secretary Dan Brouillette argued that national security has always been DOE's focus, and he said that the agency's critics aren't seeing the whole picture from their industry's silos. "That's what they get paid to do. But that's not what the secretary gets paid to do and we're going to approach this with a broader view," he told POLITICO.

And he shrugged off <u>comments</u> from FERC commissioners that the electricity markets they oversee were operating efficiently and offered the best way to address security concerns.

"Is the market a factor here at the end of the day? Yes, it is. But we're not in this to have an economics classroom debate about theories of markets," he said. "The markets, in some respects, are not designed to produce a national security outcome."

Brouillette also said the White House had not given it a deadline, and there was no decision yet on whether to invoke any authorities.

"There has been no decision and we're [not] just working backwards," he said. "If we get to the point where there's a proposal or a proposed solution to a problem that we find, then perhaps Congress has a role. But at this point, we're nowhere near that stage."

For FERC and its supporters, countering the DOE claim that national security is at stake may take more than technical arguments. Sarah Ladislaw, who directs the Center for Strategic and International Studies' energy and national security program, said many of the rebuttals from FERC commissioners so far were akin to "bringing a spoon to a knife fight."

"The idea that market efficiency is supposed to trump national security is exactly the reason why national security provisions exist. They're there to protect things that may not make economic sense. ... I think it's an entirely different game from a legal perspective," Ladislaw said. "It's really hard to prove that a national security measure is bogus."

Oregon Sen. Ron Wyden said he would stick to the economic arguments and pointed out the high potential cost of DOE's proposal, even as the administration sought to change the conversation.

"Around here, if you can trod out national security for just about anything ... the leverage goes to you," he said. But, he added, "I'm pounding the ratepayer issue [because] that's the one issue that I think puts a stake right in the guts of their argument."

And other Democrats are fuming that the agency is even considering the use of its rarely tapped emergency authorities.

"It's about abuse of power. You can't just start claiming a national security justification that clearly has nothing to do with national security, and that's a very dangerous road to go down," said Sen. Martin Heinrich (D-N.M.).

To view online click here.

## Back

# **DOE** names Tripodi as acting EERE chief <u>Back</u>

By Darius Dixon | 07/05/2018 03:24 PM EDT

Cathy Tripodi has been named the Energy Department's acting assistant secretary for energy efficiency and renewable energy while the Trump administration's permanent pick awaits confirmation, according to an email obtained by POLITICO.

Dan Simmons, who had been EERE's top political appointee for more than a year, was nominated last month by the White House to officially fill the job. "As the confirmation process moves forward, Daniel has moved to Environmental Management to serve as an advisor to their leadership team," Alex Fitzsimmons, who has been Simmons' chief of staff, wrote in an email to EERE staff today.

Tripodi joined DOE in January 2017 and has been the director of DOE's Lab Operations Board, which aims to coordinate research and mission objectives between the agency headquarters and its far-flung national laboratories. She has been named as principal deputy assistant secretary in EERE and will serve in the job temporarily, while also retaining her position as Lab Operations Board director.

After working as a policy adviser to then-FERC Chairman Pat Wood in the mid-2000s, she held a number of positions in state government, including business affairs director for North Carolina and energy director in Indiana.

Greenwire reported Tripodi's appointment earlier today.

**WHAT'S NEXT:** Simmons had a nomination hearing late last month before the Senate Energy and Natural Resources Committee, but no confirmation vote has been scheduled.

To view online click here.

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## Puerto Rico governor to challenge federal board in court Back

By Colin Wilhelm | 07/05/2018 10:48 AM EDT

Puerto Rico Gov. Ricardo Rosselló said today his government will go to court to challenge the authority of the U.S. territory's federal oversight board to impose policies on the commonwealth.

The board, established by Congress to address Puerto Rico's debt, mandated cuts to pensions and government spending in its most recent recovery plan. Proposed changes to labor laws, in part to make it easier to hire and fire employees, have also become a hotly contested issue.

Rosselló said in a release that he would challenge the board's ability to do anything more than make recommendations.

In a statement issued this morning, the board said it would "vigorously defend" its authority.

The lawsuit runs contrary to statements by the author of the debt-relief law that created the board. In <u>an amicus brief</u> submitted last Friday in a separate case, Rep. <u>Rob Bishop</u> (R-Utah) said Puerto Rico must comply with the plan laid out by the federal board.

In his release today, Rosselló said lawyers for his government would request an injunction to halt the board's actions, which he characterized as usurping the power of local elected officials, while the case plays out in court.

The governor has intermittently worked alongside and clashed with the board since he took office at the beginning of last year. His stance today is similar to one he took with the board in court over similar battle lines last year, only for the fight to be put on hold as hurricanes devastated the island.

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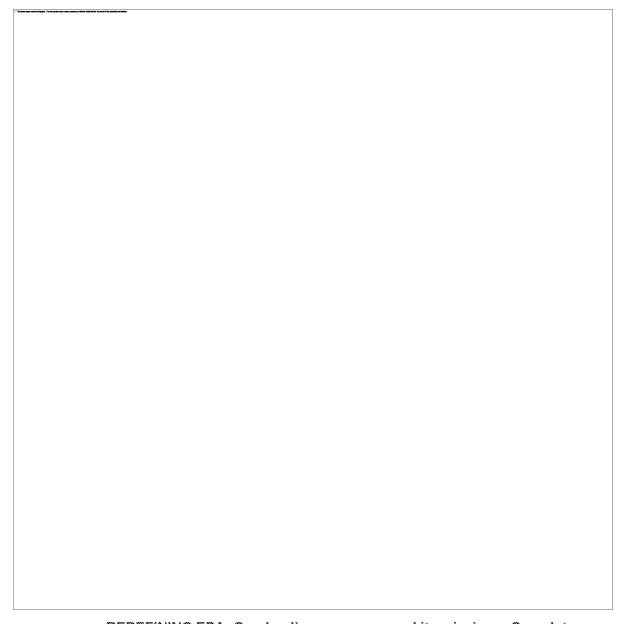
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From: InsideEPA.com [insideepa-alerts@iwpnews.com]

**Sent**: 7/3/2018 10:54:47 AM

**To**: Bolen, Brittany [bolen.brittany@epa.gov]

**Subject**: The Morning Headlines from InsideEPA.com -- July 3, 2018



REDEFINING EPA: Overhauling an agency and its mission — Complete coverage

July 3, 2018

## Latest News

# Former Top EPA Union Official Sees Urgent Need To Rebuild Agency Staff

John O'Grady, the recently retired head of EPA's biggest union, says there is an urgent need to rebuild the agency's dwindling workforce but fears any such effort is unlikely until the next presidential administration, adding

that criticism of EPA from President Donald Trump and Congress risks discouraging younger people from working for it.

# Sierra Club Calls For Strict RFS Study Deadlines After Settlement Talks Fail

Sierra Club is urging a federal district court to set strict deadlines for EPA to complete delayed reports mandated by law assessing the renewable fuel standard's (RFS) environmental impacts, after the environmental group and the agency failed to reach a settlement over the deadlines — the first test of EPA's bar on "sue-and-settle" legal agreements.

## **EPA Determines No CAFO Rule Changes Necessary For Chesapeake Bay**

An EPA review of agricultural pollution in the Chesapeake Bay watershed concludes that no changes to federal concentrated animal feeding operation (CAFO) rules are necessary to meet the agency's cleanup goals for the bay, and instead the agency will work with states to implement a combination of state and existing federal cleanup measures.

## EPA Stalls Formaldehyde Study, Despite Congress' Direction, Agency Pledge

EPA's reluctance to advance its latest draft assessment of the human health risks of formaldehyde, allegedly because political appointees have blocked its release, appears to be at odds with Congress' direction in the agency's 2017 budget for officials to send the study to peer review and the agency's subsequent commitment to do so by Sept. 30, 2018.

## Senators Tout Bipartisan Bill To Speed Permits With Two-Year 'Goal'

A bipartisan pair of senators is touting legislation that would extend a 2015 law intended to speed environmental review and permitting of large federal infrastructure projects, aiming to broaden the number of projects that qualify for help under a special permitting council and codify a two-year "goal" for completing permits.

## Daily Feed

#### EPA contests 'untimely' legal challenge to RFS 'obligation point'

EPA says a refining sector challenge to its renewable fuel standard compliance obligation "point" is time-barred under Clean Air Act legal precedent.

## Rhode Island files latest climate nuisance suit

Fossil fuel producers have "contributed greatly to the increased costs associated with climate change, and as such, should be held legally responsible for those damages," the state's Democratic attorney general says.

## EPA schedules public hearing on 2019 RFS proposal

EPA's public hearing later this month will give supporters and opponents the chance to weigh in on the proposed 2019 renewable fuel standard targets.

## EPA extends deadline for comment on cost-benefit rule

EPA is extending by 30 days its deadline for input on a proposed cost-benefit rule after requests from states and environmentalists for more time to comment.

### Ewire: Top EPA ethics official sought Pruitt investigations

In today's Ewire: EPA's top ethics official has referred several ethics allegations concerning Administrator Scott Pruitt to the agency's inspector general.

### EPA extends electronic reporting deadline for utility MACT

EPA has issued a two-year extension of existing reporting rules for its utility air toxics rule, saying a new electronic reporting system is not yet ready.

Read all the latest EPA news, analysis and documents →

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From: POLITICO Pro Energy [politicoemail@politicopro.com]

**Sent**: 5/25/2018 9:48:57 AM

**To**: Bolen, Brittany [bolen.brittany@epa.gov]

Subject: Morning Energy, presented by ExxonMobil: Breaking down EPA's next steps on toxic chemicals — Gas prices

especially problematic for midterms — Moving on appropriations

By Kelsey Tamborrino | 05/25/2018 05:46 AM EDT

With help from Anthony Adragna and Eric Wolff

**PROGRAMMING NOTE:** <u>Morning Energy</u> will not publish on Monday, May 28. Our next <u>Morning Energy</u> newsletter will publish on Tuesday, May 29. Please continue to follow PRO Energy issues <u>here</u>.

WILL PRUITT STICK TO IT? EPA Administrator Scott Pruitt said his agency is preparing to take the initial first steps to address toxic water contamination. Yet, few experts remain hopeful the steps he announced this week will be enough, if they come at all, Pro's Annie Snider reports. "We will take the next step under the Safe Drinking Water Act process to evaluate the need for a Maximum Contaminant Level for PFOA and PFOS," Pruitt said to open the agency's meeting on nonstick PFAS chemicals. "It's something that has been talked about for a number of years. The process needs to begin." Such a process would decide whether a contaminant warrants a legal limit, based not only on its dangers, but also the scale of the problem and the cost to clean it up.

On their face, none of the four steps Pruitt outlined are controversial. EPA's plan of action includes designating the PFOA and PFOS chemicals as hazardous substances under the Superfund law, allowing state and local water utilities to force companies at fault to pay for contamination cleanup. And, Pruitt said EPA is "currently developing" groundwater cleanup recommendations, and working to establish toxicity values for two other PFAS chemicals, Annie reports. All of which are in line with the actions states asked EPA to take. But experts still worry: Even if EPA does move forward swiftly with regulating PFOA and PFOS under the federal drinking water law, it's likely to take five years before such a limit could go into effect.

And some participants at this week's summit are skeptical about whether it'll occur at all. They note Pruitt's speech leaned heavily on phrases like taking "steps" to "evaluate" issues, leaving some unclear on exactly what would happen next. "It was pretty clear to me that EPA has not actually decided to do anything specific that will be meaningful at this point," said Erik Olson, who heads the Natural Resources Defense Council's health program. Read the story.

THAT'S NOT ALL: Fresh off reports that EPA officials tried to block a still-unreleased <u>assessment</u> of chemicals that are worrying drinking water experts across the country, internal communications seen by Reuters show top officials — under pressure from the chemical industry — delayed the release of a study detailing cancer risks from formaldehyde. The agency already lists formaldehyde as a probable carcinogen, but the new report is expected to detail its links to leukemia, for the first time, according to the wire service. "No office in the EPA is interested in formaldehyde," one career staffer wrote in an email obtained by Reuters. Read <u>more</u>.

FINALLY FRIDAY! I'm your host Kelsey Tamborrino, with a quick programming note. ME won't publish Monday but will be back in your inboxes Tuesday morning — refreshed and ready to take on recess week. Now time for some trivia: No one was able to guess that the first attempt to jump the White House fence occurred in 1912. But for today: The first telegraph sent from the Capitol occurred in 1844. What city was it sent to? Send your tips, energy gossip and comments to <a href="mailto:ktamborrino@politico.com">ktamborrino@politico.com</a>, or follow us on Twitter <a href="@kelseytam">@kelseytam</a>, <a href="mailto:@Morning\_Energy">@Morning\_Energy</a> and <a href="mailto:@POLITICOPro">@POLITICOPro</a>.

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CONFLICTING ACCOUNTS: California's top air regulator is disputing EPA's characterization of a recent meeting over car rules the Trump administration is considering rolling back, a move that could trigger a messy showdown given the Golden State's waiver to pursue tougher rules. EPA <u>said</u> it was a "productive" conversation between the agency, the National Highway Traffic Safety Administration and the California Air Resources Board on a single unified standard for fuel economy, but CARB Chairwoman Mary Nichols says that's not how it went down. "Sounds like a great meeting based on the WH press release. Too bad it's not the one we attended," Nichols <u>tweeted</u> Thursday. "To quote the President on cancelling his planned summit with Kim Jongun, 'If and when (@USDOT & @EPA) choose to engage in constructive dialogue and actions, I am ready.'"

JUST IN TIME FOR MIDTERMS: A sharp spike in gas prices could crash any hopes President Donald Trump might have about riding the wave of economic relief fueled by a recent slate of tax cuts into November's midterm elections. "If you look at the benefits of what households are getting from lower rates, roughly one-third of that is wiped out if these higher gas prices are sustained," Ellen Zentner, chief U.S. economist at Morgan Stanley, told POLITICO's Ben White. "And when we drive down the street, every block we see glaring signs about how much gas costs that day and it's all over the media. The tax cuts were a one-off. It's a one-time level shift in your paycheck that you are not reminded of every day."

Already, the economic impact of gas prices is stark. Morgan Stanley has estimated that if prices remain at current levels, they would cost U.S. households an additional \$38 billion this year. Read more.

CSB FAULTS HURRICANE PREP AT CHEMICAL PLANTS: The U.S. Chemical Safety Board said Thursday that chemical plants need to better prepare for hurricanes and potential floods after releasing <u>findings</u> from its investigation into an explosion at the Arkema chemical plant during Hurricane Harvey last summer. "Our investigation found that there is a significant lack of guidance in planning for flooding or other severe weather events," CSB Chairperson Vanessa Allen Sutherland said. "... As we prepare for this year's hurricane season, it is critical that industry better understand the safety hazards posed by extreme weather events."

— **Speaking of hurricane season**: This year's hurricane season is not expected to be quite as bad as last year, Pro's Ben Lefebvre reports. NOAA <u>forecast</u> a 75 percent chance that this year's hurricane season will be at-orabove normal levels for major storms. The likelihood is that 10-16 named storms will form, with up to four of those liable to become major hurricanes. Read more.

**MOVING ON APPROPS:** Sen. <u>Lisa Murkowski</u>, who heads the subcommittee responsible for EPA and Interior funding, expressed confidence her bill, notoriously one of the hardest to move due to policy riders, would make it onto the Senate floor for debate, perhaps as part of a larger package. "I believe that we will be able to get to the floor," she said. "Seriously. I do."

SENATE CONFIRMS NRC NOMINEES: The Senate <u>confirmed</u> three nominees to the Nuclear Regulatory Commission on Thursday, after Nevada Sen. <u>Dean Heller</u> lifted two holds that had threatened the regulatory body's quorum. In a <u>statement</u>, Heller said he received assurances that language authorizing the Yucca Mountain nuclear waste project would be stripped from the Senate's NDAA and Energy-Water bill. The chamber confirmed Republican nominees Annie Caputo and David Wright, as well as the renomination of Democratic Commissioner Jeff Baran, by voice vote. In addition, the chamber confirmed Francis Fannon on Thursday to be assistant secretary of State for energy resources.